



ConnectOregon IV
Program Application 2011-2012

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<https://public.govdelivery.com/accounts/ORDOT/subscriber/new?>

- Please read *ConnectOregon IV* Application Instructions prior to completing this application.
- The Application Instructions, the Draft Project Agreement, and Frequently Asked Questions are available on the *ConnectOregon IV* Web site: <http://www.oregon.gov/ODOT/COMM/CO>
- Submission Requirements are detailed in Section 9 of the Application Instructions

Project Summary and Certification

1. Applicant

ORGANIZATION NAME Lost Creek Rock Products LLC	CONTACT PERSON NAME Greg Demers	
ADDRESS PO Box 518	CONTACT PERSON TITLE Member	
CITY, STATE, ZIP Creswell, OR 97426	PHONE 541-953-7866	FAX
WEB SITE ADDRESS NA	E-MAIL (REQUIRED) gd9825@aol.com	

2. Project name and location

PROJECT NAME Green Hill Road Multimodal Facility	PROJECT LOCATION Green Hill Road, West Eugene	STAFF USE ONLY
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3. Cost summary (These fields will fill automatically as the application is completed.)

a. <i>ConnectOregon IV</i> grant amount	\$477,286.40
b. Match amount (20% of grant)	\$119,321.60
c. <i>ConnectOregon IV</i> loan amount	\$ 0.00
d. <i>ConnectOregon IV</i> project total	\$596,608.00

4. Certification

I certify that Lost Creek Rock Products APPLICANT ORGANIZATION supports the proposed project, has the legal authority

to pledge matching funds, and has the legal authority to apply for *ConnectOregon IV* funds. I further certify that matching funds are available or will be available for the proposed project. I understand that all State of Oregon rules for contracting, auditing, underwriting (where applicable), and payment will apply to this project. I certify that I have read the Sample Draft Agreement and will sign the Agreement if selected.

APPLICANT SIGNATURE X	PRINT NAME Greg Demers	DATE 11/18/11
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Project Description

5. Project summary

BRIEF SUMMARY OF PROJECT (MAXIMUM 400 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

The project will build a multimodal transfer facility in West Eugene on the Coos Bay Rail Link. The primary product handled will be construction grade rock for the Oregon Coast for which there is high demand. The project will reduce transportation cost, improve connectivity between state regions, and leverage public investments. Implementation is expected to start immediately upon grant execution.

6. Project purpose and description

Project maps must be included with this application. Maximum map size: 11 by 17 inches.

PROJECT DESCRIPTION AND PURPOSE (MAXIMUM 4500 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

Lost Creek Rock Products (LCRP) will build a multimodal transfer facility on 6.5 acres of land located on Green Hill Road in West Eugene on the Coos Bay Rail Link (CBR) mainline. Improvements will include two turnouts connecting to the mainline and 1,750' of tangent track (2,506' of track with turnouts) within the property.

The facility will be primarily used to ship construction grade rock to the Oregon Coast. The rock will be trucked from the LCRP-owned Parvin Butte Quarry in Dexter, Oregon, and other local quarries to the Green Hill Road facility where it will be transferred into rail cars. The rock will then be moved by the CBR to LCRP-controlled sites in Mapleton and on the North Spit in Coos Bay. The facility will also be able to handle logs, wood chips and lumber as well as other products should the market demand it.

The Green Hill Road site, formerly used for a sawmill, is approximately 39 acres and zoned industrial. Six and one-half (6.5) acres of the site will be dedicated to the project. LCRP has an option to purchase the 39-acre property for \$250,000 (attached) and will do so within the next six months pending a No Further Action decision by the State DEQ.

Upon completion of the project, first-year volume projections are for 28 to 40 rail cars loaded each week at the facility – the equivalent of 1,456 to 2,080 rail cars annually (about 130,000 to 182,000 tons per year).

The project will result in significant transportation cost savings. A transportation cost study (attached) shows the use of the CBR to transport rock product to the Oregon Coast results in savings of \$10.35 per ton and \$1.55 million annually (as compared to the all-truck alternative).

The project offers strong economic benefits to Oregon. Market research (attached) indicates a high demand at the Oregon Coast for the high-grade basalt rock from Parvin Butte. Uses include ballast rock for railroads, rock used in asphalt and concrete, and jetty rock meeting the high standards set by the Army Corp of Engineers.

The project will build a strategically-located multimodal transfer facility on the rail corridor that connects the Willamette Valley to the Oregon Coast. The CBR rail corridor is presently undergoing a major rehabilitation, overseen by the Oregon International Port of Coos Bay, that will be complete in 2012 (partial service resumed in 2011).

The project leverages \$47.5 million of public investments by the State (\$16.4 million in grants and \$5.4 million in loans) and Federal government (\$25.7 million in grants) in the CBR rail corridor.

The project is expected to be ready for immediate implementation upon execution of the grant agreement. The site is zoned industrial; the property purchase is pending a No Further Action decision by the State DEQ (expected by June 2012); the project has the full support of the CBR; and there are no permitting obstacles.

The total project cost is \$1,182,183 of which \$477,286 is grant and \$119,322 is the required 20% match. LCRP is also making an additional match of \$585,575 which includes \$400,000 for loaders, excavators, and scales, and another \$41,665 for the cost of the 6.5 acres of the property dedicated to the facility.

LCRP is a partnership between ATR Land LLC and McDougal Bros. Investment. The partners also own many land parcels which are related to the timber, commercial, and residential industries including the Parvin Butte Quarry in Dexter, Oregon. Lost Creek is in the process of completing purchases of industrially-zoned sites in West Eugene. LCRP owns the Lane Plywood site which will be developed for rail-served business at a future date, owns the Danebo site, and is leasing the siding track from UP in order to start operations immediately which is an interim solution until the Green Hill site is developed.

7. Project location

STREET ADDRESS OR NEAREST STREET INTERSECTION Intersection of Coos Bay Rail Link and Green Hill Road		
CITY(IES) Eugene	COUNTY(IES) Lane	
GPS COORDINATES	LATITUDE (DEGREES AND DECIMAL) 44° 3'22.11"N	LONGITUDE (DEGREES AND DECIMAL) 123°12'10.70"W

8. Project mode (check all that apply): ☐ Air ☐ Marine ☒ Rail ☐ Transit

9. *Connect*Oregon region ☐ CO Region 1 ☒ CO Region 2 ☒ CO Region 3 ☐ CO Region 4 ☐ CO Region 5
For more information, refer to the Application Instructions. For processing purposes, when projects are located in more than one *Connect*Oregon region, applicant must identify which region will contain the majority of the planned project.

10. Is the applicant current on all state and local taxes, fees, and assessments? ☒ Yes ☐ No

11. What is the project's useful life?

YEARS
20

12. After project completion who will assume responsibility for the continued maintenance and operation of the project?

RESPONSIBLE PARTY Lost Creek Rock Products LLC

13. What will be the source(s) of funds for the continued maintenance and operation of the project?

SOURCE(S) Ongoing operations and Lost Creek Rock Products LLC
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14. Is the funding for the continued maintenance and operation of the project currently secured or budgeted for the initial budget cycle of project operation? ☒ Yes ☐ No

If no, describe how and when these steps will occur:

DESCRIBE

15. Is all the real estate required for the project owned by the applicants? (See also Questions 16-18.)

- ☐ Yes, project real estate is *wholly* owned by the applicant(s)
☐ No, project real estate is *partly* owned by the applicant(s)
☒ No

If yes, project real estate is wholly owned, what was the purchase price of the property?

PURCHASE PRICE
\$0.00

If no, project real estate is partly owned, or if no, include the property owner's information and signature for the non-owned portion:

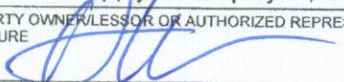
OWNER NAME Davidson Industries	PHONE 541-284-5800
OWNER ADDRESS PO Box 7	FAX
OWNER CITY, STATE, ZIP Mapleton, OR 97453	E-MAIL
AUTHORIZED REPRESENTATIVE NAME David Crowell	AUTHORIZED REPRESENTATIVE PHONE 541-284-5800
AUTHORIZED REPRESENTATIVE ADDRESS PO Box 7	AUTHORIZED REPRESENTATIVE FAX
AUTHORIZED REPRESENTATIVE CITY, STATE, ZIP Mapleton, OR 97453	AUTHORIZED REPRESENTATIVE E-MAIL

subject to option as described in #18 below (DC)

I certify that **Lost Creek Rock Products** is authorized to use the real estate underlying the

ORGANIZATION NAME

project. I understand that all State of Oregon rules for contracting, auditing, underwriting (where applicable), and payment will apply to this project, and that these rules may require a 20-year lease of the site.

PROPERTY OWNER/LESSOR OR AUTHORIZED REPRESENTATIVE SIGNATURE X 	PRINT NAME David Crowell	DATE 11/17/2011
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☐ Check if additional owners are listed on Page 20 of this application.

16. Will the property be purchased by the applicant to complete the project? ☒ Yes ☐ No
 If yes, is the property in escrow? ☐ Yes ☒ No
17. Will the property be leased by the applicant? ☐ Yes ☒ No

18. Provide any additional real estate details

<p>ADDITIONAL DETAILS (MAXIMUM 1600 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)</p> <p>Lost Creek currently has an option to purchase the 39-acre property for \$250,000. The sale will be finalized once a No Further Action (NFA) decision has been made by the State DEQ. The property is an old sawmill site and is zoned industrial. Ownership is working on the NFA letters.</p> <p>We anticipate that the environmental work will be completed by June 2012. Property transaction will close subject to the exercise of the option shortly after the issuance of the NFA.</p> <p>Please note that 6.5 of the 39 acres will be dedicated to the rail tracks and right of way. The property portion of the applicant match is therefor assumed to be \$41,665 for the property purchase ((5/30) * \$250,000).</p>

Project Budget and Schedule

19. Identify the source and amount of funds for the project budget, including grants, loans, and matching funds.

SOURCE		AMOUNT	DATE AVAILABLE		STAFF USE ONLY
			CALENDAR YEAR	MONTH	
a. Grant portion		\$596,608.00	2012	September	0.5047
1. Required match (For grants: 20% grant project subtotal)	\$119,321.60		2012	September	0.1009
2. <i>ConnectOregon IV</i> grant amount requested	\$477,286.40		2012	September	0.4037
b. <i>ConnectOregon IV</i> loan portion requested (no match required)		\$0.00		Select	0.0000
c. <i>ConnectOregon IV</i> total (a+b)		\$596,608.00		Select	0.5047
d. Additional applicant match (not required)		\$585,575.00		Select	0.4953
Project total		\$1,182,183.00			1.0000

20. For grant projects, detail the source and timing of the match shown above.

FUNDS	SOURCE OF FUNDS	AMOUNT	DATE AVAILABLE		STAFF USE ONLY
			CALENDAR YEAR	MONTH	
Labor (payroll)		\$0.00		Select	0.0000
Contracted services		\$0.00		Select	0.0000
Materials and supplies		\$0.00		Select	0.0000
Capital outlay – land (purchase price)	cash	\$41,665.00	2012	June	0.0591
Capital outlay – buildings		\$0.00		Select	0.0000
Capital outlay -- equipment	cash	\$400,000.00	2012	September	0.5675
Other (describe): Cash 20% match	cash	\$119,321.60	2012	September	0.1693
Other (describe): Engineering/Prjct Mgmt	cash	\$120,000.00	2012	July	0.1702
Other (describe): Crushed Surface Lbr & Mtrls	cash	\$16,710.00	2012	September	0.0237
Other (describe): Clearing & Grubbing	cash	\$7,200.00	2012	September	0.0102
Total <i>Total must equal \$704,896.60</i> <i>1.a.1–Required match + 1.d–Additional applicant match</i>		\$704,896.60			1.0000

21. If the *ConnectOregon* IV project is part of a larger project, describe the scope of the entire project. Include the total amounts of public and private investment in the proposed project. Please note which portions of the project are *ConnectOregon* IV eligible.

DESCRIBE (MAXIMUM 1200 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

The COIV project is one part of a much larger investment by the LCRP that will connect the major shortlines in Oregon and also provide UPRR access for local shippers. In addition to the Green Hill Road project, the LCRP is developing a transload site on a siding leased from the UPRR in Danebo. The LCRP is also planning to develop a site with access to the UPRR and with future access to the Central Oregon & Pacific, Portland & Western Railroad, either on the Danebo site or on an adjacent site, Lane Plywood, that is also owned by LCRP. Related to these developments, LCRP is leasing with the option to purchase sites in Mapleton and on the North Spit of Coos Bay, and is acquiring loading/off-loading equipment and railcars. LCRP is also considering future facilities in Cushman and Reedsport.

It is expected to take two to three years to develop all of the agreements and the business case for all these developments to occur.

The total investment will exceed \$2 million, which the LCRP will fund with cash save for the COIV grant.

The COIV-funded project will be operational independent of the Danebo and Lane Plywood sites.

- ☐ Commitment letters from businesses and organizations, stating their intentions regarding private investment over a specified period, are included in the Supplemental Information attached to this application and sited in question # 43.

22. Complete the following tables regarding current and projected milestones for the project. Check to indicate if the project is a construction or a non-construction project.

MILESTONE	<input checked="" type="checkbox"/> CONSTRUCTION PROJECTS	<input type="checkbox"/> OTHER (NON-CONSTRUCTION) PROJECTS – DESCRIBE
a. Milestone 1	a. Scoping and planning	a.
b. Milestone 2	b. Right-of-way and land acquisition	b.
c. Milestone 3	c. Final Plans/bidding engineering documents	c.
d. Milestone 4	d. Permits	d.
e. Milestone 5	e. Construction contract award	e.
f. Milestone 6	f. Project completion	f.

23. For the milestones identified above, provide the following details:

MILESTONE	STATUS			
	HAS THE MILESTONE BEEN MET?	PROJECTED START DATE OF MILESTONE WORK	ESTIMATED LENGTH OF PROCESS	PROJECTED MILESTONE COMPLETION DATE
a. Milestone 1	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	3/1/2011	7 months	10/1/2011
b. Milestone 2	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	6/1/2011	12 months	6/1/2012
c. Milestone 3	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	7/1/2012	2 months	9/1/2012
d. Milestone 4	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			
e. Milestone 5	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	9/1/2012	1 day	9/2/2012
f. Milestone 6	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	9/15/2012	3 months	12/15/2012

24. Based on the milestones identified on the previous page, provide details of the proposed uses and amount of funds needed to complete each milestone.

a. Milestone 1

☒ This milestone is complete or does not apply.

FUNDS	AMOUNT	PART OF GRANT MATCH?	DATE AVAILABLE	
			CALENDAR YEAR	MONTH
Labor (payroll)	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Contracted services (if known)	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Materials and supplies	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – land	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – buildings	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – equipment	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Other (describe):	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Milestone 1 Total	\$ 0.00			

b. Milestone 2

☒ This milestone is complete or does not apply.

FUNDS	AMOUNT	PART OF GRANT MATCH?	DATE AVAILABLE	
			CALENDAR YEAR	MONTH
Labor (payroll)	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Contracted services (if known)	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Materials and supplies	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – land	\$41,665.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2012	June
Capital outlay – buildings	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – equipment	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Other (describe):	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Milestone 2 Total	\$41,665.00			

c. Milestone 3

☒ This milestone is complete or does not apply.

FUNDS	AMOUNT	PART OF GRANT MATCH?	DATE AVAILABLE	
			CALENDAR YEAR	MONTH
Labor (payroll)	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Contracted services (if known)	\$90,000.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2012	July
Materials and supplies	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – land	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – buildings	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – equipment	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Other (describe):	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Milestone 3 Total	\$90,000.00			

d. Milestone 4

☒ This milestone is complete or does not apply.

FUNDS	AMOUNT	PART OF GRANT MATCH?	DATE AVAILABLE	
			CALENDAR YEAR	MONTH
Labor (payroll)	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Contracted services (if known)	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Materials and supplies	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – land	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – buildings	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – equipment	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Other (describe):	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Milestone 4 Total	\$ 0.00			

e. Milestone 5

☒ This milestone is complete or does not apply.

FUNDS	AMOUNT	PART OF GRANT MATCH?	DATE AVAILABLE	
			CALENDAR YEAR	MONTH
Labor (payroll)	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Contracted services (if known)	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Materials and supplies	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – land	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – buildings	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – equipment	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Other (describe):	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Milestone 5 Total	\$ 0.00			

f. Milestone 6

☐ This milestone is complete or does not apply.

FUNDS	AMOUNT	PART OF GRANT MATCH?	DATE AVAILABLE	
			CALENDAR YEAR	MONTH
Labor (payroll)	\$10,542.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2012	Septemb
Contracted services (if known)	\$203,580.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2012	Septemb
Materials and supplies	\$436,396.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2012	Septemb
Capital outlay – land	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – buildings	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Capital outlay – equipment	\$400,000.00	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	2012	Septemb
Other (describe):	\$0.00	<input type="checkbox"/> Yes <input type="checkbox"/> No		Select
Milestone 6 Total	\$1,050,518.00			

Totals

	AMOUNT	STAFF USE ONLY
Labor (payroll)	\$10,542.00	0.0089
Contracted services (if known)	\$293,580.00	0.2483
Materials and supplies	\$436,396.00	0.3691
Capital outlay – land	\$41,665.00	0.0352
Capital outlay – buildings	\$ 0.00	0.0000
Capital outlay – equipment	\$400,000.00	0.3384
Other	\$ 0.00	0.0000
Total	\$1,182,183.00	0.9999

25. Complete the following table regarding pre-construction documentation and permits. (Potential projects are expected to be at varying stages of construction readiness; some of the steps below will not apply, or must be marked “Still required” or “Don’t know.” See the *ConnectOregon IV* Application Instructions for detailed explanations of the terms below.)

ENVIRONMENTAL AND PUBLIC INVOLVEMENT					
STEP	STATUS				
	ALREADY COMPLETED	INCOMPLETE/ UNDERWAY	STILL REQUIRED	NOT APPLICABLE	DON'T KNOW
a. NEPA Categorical Exclusion (CE)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. NEPA Environmental Assessment (EA).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Environmental Impact Statement (EIS).....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
d. Air-quality conformity determination.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
e. In-water work permit.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
f. Coordination of project approval with any Native American tribe or another state.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
g. Stakeholder involvement.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
h. Permits	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
i. Other: <u>Industrial Track Agreement with CBR</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
j. Other: <u>Describe</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PLANNING AND LAND USE						
STEP	STATUS					
	ALREADY COMPLETED	INCOMPLETE/ UNDERWAY	STILL REQUIRED	NOT APPLICABLE	DON'T KNOW	
k. Inclusion in adopted transportation system plan (TSP)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
l. Inclusion in adopted local comprehensive plan.....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
m. Inclusion in adopted regional transportation plan (RTP)....	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
n. Zoning amendment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
o. Goal exception (if required by state planning goals)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
p. Other: <u>Describe</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
q. Other: <u>Describe</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

List other federal, state, modal, regional, or local plans where this project is listed.

DESIGN AND SPECIFICATION						
STEP	STATUS					
	ALREADY COMPLETED	INCOMPLETE/ UNDERWAY	STILL REQUIRED	NOT APPLICABLE	DON'T KNOW	
r. Engineering and/or design services contracted	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
s. 25% design complete	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
t. 50% design complete	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
u. 75% design complete	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
v. Final design complete	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
w. Plans and specifications.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
x. Other: <u>Describe</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
y. Other: <u>Describe</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

26. What permits or approvals (beyond those noted above) are required prior to project construction?

PERMITS OR APPROVALS (MAXIMUM 1600 CHARACTERS)

Require a NFA ruling by Oregon DEQ prior to execution of purchase option.

27. Is the construction of the project limited to specific construction timeframes due to environmental considerations (such as bird-nesting or fish-spawning seasons, or temperature)?

☐ Yes ☒ No ☐ No; however, additional information is included in addenda.

If yes, note the periods when construction is limited:

RESTRICTION DESCRIPTION	START DATE OF RESTRICTION	END DATE OF RESTRICTION

28. Can the project demonstrate support from public agencies that must approve the project?

☒ Yes ☐ Yes, started but not completed ☐ No

LIST APPROVALS (MAXIMUM 1600 CHARACTERS)

This project only requires support from the Coos Bay Rail Link which is owned by Port of Coos Bay. Please see the attached letter of support.

☒ Check if documentation of the approval coordination is attached in Supplemental Information.

29. Describe any unique construction-readiness issues or possible delays not identified above:

DESCRIBE (MAXIMUM 1600 CHARACTERS)

The only possible impediment to this process is the uncertainty of the timeline with regards to the environmental remediation on the site. This will drive the closing date for the property transaction. The current owners of the property are working with DEQ to a NFA designation.

30. The project schedule presented above has the following level of risk involved.

High ☐ Medium ☐ Low ☒

a. Describe the reason for your answer regarding level of risk.

(MAXIMUM 300 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

The principals of Lost Creek have completed hundreds of property transactions in the region. This one does not pose any significant complexity, rather is just subject to an uncertain negotiating timeline.

b. Who was responsible for determining the project schedule and what is their level of expertise? (I.e. City or consultant engineer, construction project manager, city staff, etc.)

(MAXIMUM 300 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

Lost Creek Rock Products. The principals have been involved in many property transactions and developments in the Willamette Valley and in the Western United States for several decades. For areas where they do not have specific expertise they hire consultants specific to that task.

Project Details

31. Does the project improve existing or create new critical links for Oregon's transportation system?

☒ Yes ☐ No

IF YES, CHECK ALL THAT APPLY:

The project...

- ☒ creates a new link
☐ improves an existing link

The project improves or creates new transportation links...

- ☒ between multiple modes of transportation (check all that apply)
☐ air ☐ marine ☐ pipeline ☐ passenger rail ☒ freight rail ☐ transit ☒ truck
☐ bus ☐ bicycle ☐ pedestrian ☐ personal automobile
☒ to transportation networks outside Oregon

EXPLAIN (MAXIMUM 400 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE).

This project provides truck-rail connectivity between the Willamette Valley (Eugene) and the Oregon Coast . It allows shippers with no direct rail connectivity to access the railroad by loading/off loading railcars at this facility.

32. How is success measured for this type of project?

THIS ANSWER MUST INCLUDE THE METHODOLOGY FOR CALCULATION. ATTACH ADDITIONAL INFORMATION AND SITE IN QUESTION #43 AS NECESSARY.
(MAXIMUM 300 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

Measurement will be in volumes (rail cars, tonnage) and in reduced transportation costs. See attachment for calculation of transportation cost reductions.

- a. What is the existing measurement today? No volume / savings
b. What is anticipated measurement when the project is fully operational? Approx 150,000 tons / year & savings of \$1.55 million / year

33. Does the project improve an existing transportation connection or add a new connection to an industrial or employment center?

☒ Yes ☐ No

IF YES, CHECK ALL THAT APPLY:

The project...

- ☒ Creates a new connection
- ☐ Improves an existing connection

a. This project improves or creates access to:

<input checked="" type="checkbox"/> Industrial center	SPECIFY West Eugene industrial area
<input type="checkbox"/> Employment center	SPECIFY
<input type="checkbox"/> This project provides access to	SITE NAME
which is a site certified as "Project Ready" by the Oregon Business Development Department (OBDD). For more information, refer to the Application Instructions.	

34. Does this project link workers to jobs?

☐ Yes ☒ No

EXPLAIN (MAXIMUM 300 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

a. Which passenger mode(s) are linked for workers

PASSENGER MODE LINKS (CHECK ALL THAT APPLY)		
<input type="checkbox"/> Fixed-route bus	<input type="checkbox"/> Light rail	<input type="checkbox"/> Air services
<input type="checkbox"/> Demand-responsive bus	<input type="checkbox"/> Passenger rail	<input type="checkbox"/> Ferry
	<input type="checkbox"/> Commuter rail	<input type="checkbox"/> Water taxi
<input type="checkbox"/> Other	DESCRIBE (MAXIMUM 75 CHARACTERS)	

b. Estimated use by new workers

ESTIMATED NUMBER OF NEW WORKERS PER DAY EXPECTED TO USE THE PASSENGER SERVICE WHEN OPENED
EXPLAIN BASIS FOR ESTIMATE (MAXIMUM 300 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

c. Geographic service level

IDENTIFY GEOGRAPHIC SERVICE AREA (CHECK ALL THAT APPLY)	
<input type="checkbox"/> Rural	
<input type="checkbox"/> Intra-city (within a town or city)	<input type="checkbox"/> Intercity (between towns or cities)
<input type="checkbox"/> Interstate (between states)	<input type="checkbox"/> International

35. Does this project link populations to medical care, social services, or shopping?

☐ Yes ☒ No

EXPLAIN (MAXIMUM 300 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

a. Passenger mode links for medical care, social services, shopping

PASSENGER MODE LINKS (CHECK ALL THAT APPLY)

- | | | |
|--|---|---------------------------------------|
| <input type="checkbox"/> Fixed-route bus | <input type="checkbox"/> Light rail | <input type="checkbox"/> Air services |
| <input type="checkbox"/> Demand-responsive bus | <input type="checkbox"/> Passenger rail | <input type="checkbox"/> Ferry |
| | <input type="checkbox"/> Commuter rail | <input type="checkbox"/> Water taxi |
| <input type="checkbox"/> Other | | |

DESCRIBE (MAXIMUM 75 CHARACTERS)

b. Estimated use by new passengers

ESTIMATED NUMBER OF NEW PASSENGERS PER DAY EXPECTED TO USE THE PASSENGER SERVICE WHEN OPENED

EXPLAIN BASIS FOR ESTIMATE (MAXIMUM 300 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

c. Geographic service level

IDENTIFY GEOGRAPHIC SERVICE AREA (CHECK ALL THAT APPLY)

- | | |
|---|--|
| <input type="checkbox"/> Rural | |
| <input type="checkbox"/> Intra-city (within a town or city) | <input type="checkbox"/> Intercity (between towns or cities) |
| <input type="checkbox"/> Interstate (between states) | <input type="checkbox"/> International |

36. Does this project...

- ☐ increase system capacity?
- ☐ relieve a bottleneck or congestion point?
- ☒ complete one or more gaps in Oregon's transportation system?
- ☒ remove an existing barrier?
- ☐ reduce traffic or use conflicts?
- ☐ implement technology including Intelligent Transportation Systems?

EXPLAIN (MAXIMUM 1250 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE) INCLUDE IN YOUR ANSWER AND ATTACH DOCUMENTATION SUPPORTING YOUR ANSWER. SITE IN QUESTION #43

This provides a direct link between the Willamette Valley and the Oregon Coast that is independent of UPRR-controlled facilities and switching. It provides modal choice to freight shippers where none exists today exclusively on the CBR.

37. Does the project serve one or more of Oregon's Statewide Business Clusters or the tourism industry? For more information, refer to the Application Instructions.

STATEWIDE BUSINESS CLUSTERS (CHECK ALL THAT APPLY)

- | | |
|---|--|
| <input type="checkbox"/> Agriculture | <input checked="" type="checkbox"/> Forestry and Wood Products |
| <input type="checkbox"/> Athletic & Outdoor Gear and Apparel | <input type="checkbox"/> Green Building and Development |
| <input type="checkbox"/> Aviation | <input checked="" type="checkbox"/> Manufacturing |
| <input type="checkbox"/> Bioscience | <input type="checkbox"/> Nursery Products |
| <input type="checkbox"/> Creative Industries | <input type="checkbox"/> Semiconductors and Electronics Components |
| <input type="checkbox"/> Defense | <input type="checkbox"/> Software |
| <input type="checkbox"/> Education Services and Technology | <input type="checkbox"/> Solar |
| <input type="checkbox"/> Electric Vehicles and Sustainable Trans. | <input type="checkbox"/> Tourism and Hospitality |
| <input type="checkbox"/> Energy Efficiency | <input type="checkbox"/> Wave Energy |
| <input type="checkbox"/> Environmental Technology and Services | <input type="checkbox"/> Wind Energy |
| <input type="checkbox"/> Food Processing | |

PROVIDE DETAIL (MAXIMUM 500 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

This project will support the construction industry by providing lower transportation costs of rock products to the coast. It will also provide a competitive alternative for logs and wood chips that are being exported through Longview WA. These products will be able to load on the rail in Eugene and be exported out of Coos Bay.

38. Does this project benefit the Oregon economy by generating a net increase in or retention of long-term jobs (beyond short-term construction jobs) and/or increasing private investment in Oregon?

☒ Yes* ☐ No

If yes, please complete the following:

a. Number of long-term (non-construction) jobs created or retained as a direct result of the project.....	13
b. Average annual wage of long-term (non-construction) jobs created or retained	\$50,000.00
c. List up to five businesses that will verify job creation/retention or new private investment	
BUSINESS NAME	NAME OF CONTACT PERSON
1. Lost Creek Rock Products	Mel McDougal
2.	
3.	
4.	
5.	
d. What is the size of the increase or initial investment by these businesses in Oregon as a result of this project?	\$ \$705,000.00
<p>* <input checked="" type="checkbox"/> <i>Required for a yes answer.</i> Commitment letters must be included in Supplemental Information and sited in question # 43. These letters must be from businesses or organizations stating their intention to operate in Oregon and detailing: the number of jobs created or retained over a specific period of time as a result of this project, and/or the amount of additional private investment that the entity would make in Oregon over a specified period of time as a direct result of this project.</p>	
EXPLAIN (MAXIMUM 400 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)	
<p>LCRP will employ 1 person at the Greenhill Site, 6 truckers, 3 people at the Parvin Butte Quarry and one person full time at each of the two sites on the Coast. The COIV project is critical to making the economics of the venture work. This application serves as the commitment letter from LCRP. The \$705,000 shown 38d is LCRP's contribution to this project.</p>	

39. To what extent does this project generate economic stimulus in the state by supporting short-term construction-related jobs in Oregon?

a. What year were the planning and engineering, land and construction cost estimates done for this project and by whom:

YEAR COST ESTIMATE WAS DONE	BUSINESS NAME	ESTIMATE ELEMENT (IF MORE THAN ONE)
1. 2011	H&S Construction	Construction
2. 2011	Wiser Rail	Construction
3. 2011	Rick Franklin Corp.	Construction
4.		
5.		

b. For which year are the costs estimated? I.e., the cost estimate was done in 2009 for a project expected to occur in 2012 and so the estimator inflated the costs of the project to 2012 dollars; therefore, the answer would be 2012.

EXPLAIN (MAXIMUM 400 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE)

2011

c. The short-run jobs supported by this project are:9.25
(Calculate the jobs number using Fields 1-5 below. Take the result in Field 5 below and enter here.)

Field 1. Project costs (planning, engineering, land, construction)	Field 2. Inflation Adjustment factor based on year (see instructions)	Field 3. Project cost multiplied by Inflation Adjustment Factor (Field 1 x Field 2)	Field 4. Result divided by 1,000,000 (Field 3/1,000,000)	Field 5. Result multiplied by the job multiplier of 12.5 (Field 4 x 12.5)
\$740,518.00	1.00	740,518	0	9

40. What is the unemployment rate in the project area?

Average unemployment rate in the project area for the last 12 months (Refer to the Application Instructions)	10%	COUNTY/JURISDICTION Lane
PROVIDE ADDITIONAL DETAILS ON ANY OTHER SPECIAL ECONOMIC CONSIDERATIONS IN THE PROJECT LOCATION This project is located in Lane County but will also provide a transportation link to Coos County where unemployment is 11.9%		

41. Does the project improve safety?

☐ Yes* ☒ No

* ☐ Required for a yes answer. Documentation or explanation of the incident(s) or safety situation(s) that have occurred that this project is addressing or documentation of a high risk or of a safety issue or hazard potentially occurring. Examples include: reducing trips on a corridor designated by ODOT as a Safety Corridor; documented worker safety incidents; non-highway related, recurring accidents, recent crime/vandalism incidents, etc.

EXPLAIN (MAXIMUM 400 CHARACTERS; FIELD WILL EXPAND AS YOU TYPE) PLEASE NOTE THE NUMBER AND TYPE OF INCIDENTS (FATAL ACCIDENT, INJURY ACCIDENT, PROPERTY-DAMAGE ACCIDENT, CRIME, OR OTHER) WITHIN A SPECIFIED TIMEFRAME.

Other Considerations and Information

42. Describe any other considerations and information that support why the project should be selected:

DESCRIBE

This application for ConnectOregon funding has received support letters from Oregon State Senator Floyd Prozanski, Lane County Commissioner Faye Hills Stewart, Union Pacific Railroad, Pacific & Western Railroad, Oregon International Port of Coos Bay, and Benny Hempstead Excavating.

The project leverages significant state and federal investments in the CBR rail corridor. These investments include

FUNDING 2009-PRESENT	LOAN	GRANT	USE
State of Oregon	\$5,400,000		Rail line purchase
SAFETEA:LU		\$7,200,000	Rail line purchase
ConnectOregon I		\$4,000,000	Rail line purchase
ARRA 2009		\$2,500,000	Tunnel repair
Oregon Lottery HB5054		\$3,500,000	Tunnel/track structure
ConnectOregon III		\$7,900,000	Tunnel/bridge
TIGER II		\$13,500,000	Track structure
SAFETEA:LU		\$2,500,000	Marine-benign treated railroad ties
ODOT & FRA		\$1,000,000	Signalized crossings
Totals	\$5,400,000	\$42,100,000	

43. List the supporting materials to be submitted in your paper application packet.

Question #21: Commitment letters from...

1. Lost Creek Rock Products (this application serves as LCRP's commitment letter)
2.
3.
4.
5.

Question #28: Documentation of coordination and support of public agencies that must approve the project.

1. Coos Bay Rail Link letter (attached)
2.
3.
4.
5.

Question #32: Other supporting documents regarding measurement of success of the project.

1. Green Hill Road Multimodal Facility - Transportation Cost Analysis
2.
3.

Question #36: Other supporting documents regarding improved reliability of Oregon's transportation system.

1.
2.
3.

Question #38: Commitment letters from businesses or organizations stating their intention to operate in Oregon and their intentions regarding job creation and private investment plans over a specified period.

1.
2.
3.
4.
5.

Other supporting documents

1. Map - Coos Bay Rail Link system with LCRP facilities
2. Drawing - Green Hill Road Track Plan
3. Lost Creek Rock Products West Eugene Rail Plan
4. Option Agreement - Green Hill Road Property
5. Market Study: Crush Rock Market Study - Oregon and Major California Markets

Addenda

Attach additional text here as necessary, identifying the question number. Please note: Only additional text contained on this page will be considered as part of this application. Additional pages will not be considered.

MAXIMUM 4500 CHARACTERS

Question #s 6, 19, & 25. Equipment Cost: loader/excavator - \$175,000; scales - \$75,000; stacker - \$150,000. Total: \$400,000.

Additional property owners/lessors

OWNER NAME		PHONE	
OWNER ADDRESS		FAX	
OWNER CITY, STATE, ZIP		E-MAIL	
AUTHORIZED REPRESENTATIVE NAME		AUTHORIZED REPRESENTATIVE PHONE	
AUTHORIZED REPRESENTATIVE ADDRESS		AUTHORIZED REPRESENTATIVE FAX	
AUTHORIZED REPRESENTATIVE CITY, STATE, ZIP		AUTHORIZED REPRESENTATIVE E-MAIL	
PROPERTY OWNER/LESSOR OR AUTHORIZED REPRESENTATIVE SIGNATURE X	PRINT NAME		DATE

OWNER NAME		PHONE	
OWNER ADDRESS		FAX	
OWNER CITY, STATE, ZIP		E-MAIL	
AUTHORIZED REPRESENTATIVE NAME		AUTHORIZED REPRESENTATIVE PHONE	
AUTHORIZED REPRESENTATIVE ADDRESS		AUTHORIZED REPRESENTATIVE FAX	
AUTHORIZED REPRESENTATIVE CITY, STATE, ZIP		AUTHORIZED REPRESENTATIVE E-MAIL	
PROPERTY OWNER/LESSOR OR AUTHORIZED REPRESENTATIVE SIGNATURE X	PRINT NAME		DATE

OWNER NAME		PHONE	
OWNER ADDRESS		FAX	
OWNER CITY, STATE, ZIP		E-MAIL	
AUTHORIZED REPRESENTATIVE NAME		AUTHORIZED REPRESENTATIVE PHONE	
AUTHORIZED REPRESENTATIVE ADDRESS		AUTHORIZED REPRESENTATIVE FAX	
AUTHORIZED REPRESENTATIVE CITY, STATE, ZIP		AUTHORIZED REPRESENTATIVE E-MAIL	
PROPERTY OWNER/LESSOR OR AUTHORIZED REPRESENTATIVE SIGNATURE X	PRINT NAME		DATE

See Application Instructions for submittal requirements.

Modal Budget

Attach modal budget here.

**ATTACH MODAL BUDGET
AS LAST PAGE OF APPLICATION**

See application instructions for details.

**Modal budget samples and templates
are provided in Application Instructions**

ConnectOregon IV Application Checklist

Project Name: Green Hill Road Multimodal Facility

Project Location: Green Hill Road, West Eugene

Applicant: Lost Creek Rock Products

Applicant Representative: Greg Demers (reviewed Jim Daly, Tangent Services, 503-928-0731)

Reviewer Name: _____

Reviewer Phone: _____

All applicable answers must be completed by the applicant. Applications that do not contain answers for all applicable questions will be deemed incomplete and will not be forwarded to Modal or Regional Review Committees for consideration.

This Application Checklist has been incorporated into the application to assist applicants with completeness. Carefully review your application utilizing the following checklist for completeness prior to submission to ODOT. The completed checklist must be submitted as part of each application.

Completeness:

Project Summary and Certification

Staff	Applicant	N/A	Question #
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	1 – Contact Information
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	2 – Name and location
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	3 – Cost Summary (completed automatically)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	4 – Signature and match to name from contact person listed in Item 1

Project Description

Staff	Applicant	N/A	Question #
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	5 – Project summary
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	6 – Project purpose and description completed (<input checked="" type="checkbox"/> Maps included)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	7 – Detailed Location
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	8 – Mode
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	9 – Region
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	10 – Taxes – To be verified by <i>ConnectOregon</i> staff
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	11 – Life of project
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	12 – Responsible party
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	13 – Source of operational funds
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	14 – Funding for operation secured or budgeted (<input type="checkbox"/> description with No answer)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	15 – Real estate (<input checked="" type="checkbox"/> Signature contact information for No answer)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	16 – Property purchase (<input type="checkbox"/> Escrow answered for Yes answer)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	17 – Property leased
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	18 – Property Details (optional)

Project Budget and Schedule

Staff	Applicant	N/A	Question #
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	19 – Source and amount of funds (<input checked="" type="checkbox"/> 19a complete, <input checked="" type="checkbox"/> 195b complete, <input checked="" type="checkbox"/> 19c complete)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	20 – Source and timing of match (<input checked="" type="checkbox"/> Source, <input checked="" type="checkbox"/> Amount, <input checked="" type="checkbox"/> Year and month)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	21 – Description of larger project context. (<input type="checkbox"/> Commitment letters checked)
<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	22 – Milestones

- [illegible]

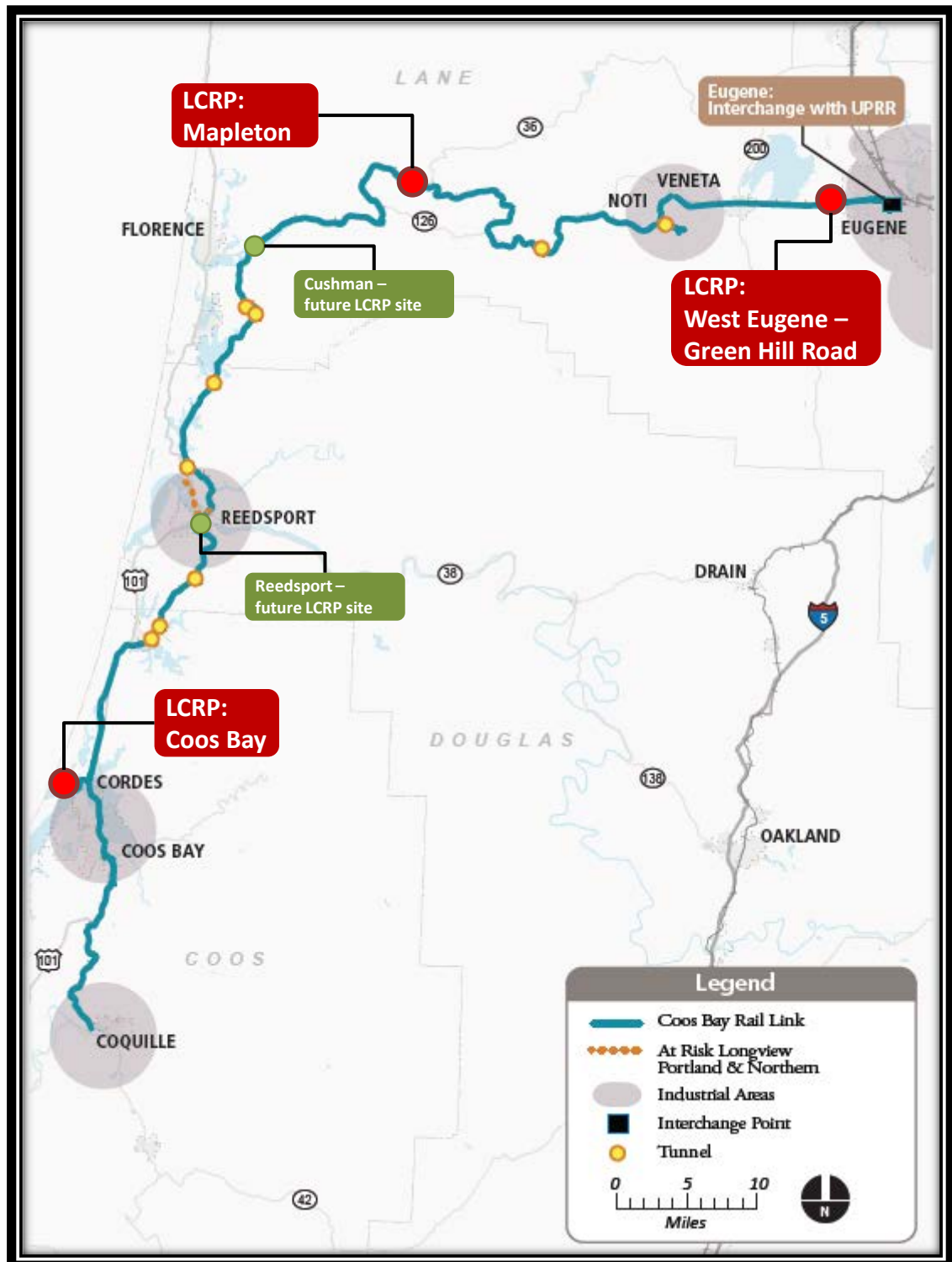
- | Staff | Applicant | N/A |
|--------------------------|-------------------------------------|--------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
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- | Staff | Applicant | N/A |
|--------------------------|-------------------------------------|--------------------------|
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| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

- STAFF NOTES: _____

RAIL NETWORK MAP

LOST CREEK ROCK PRODUCTS & COOS BAY RAIL LINK



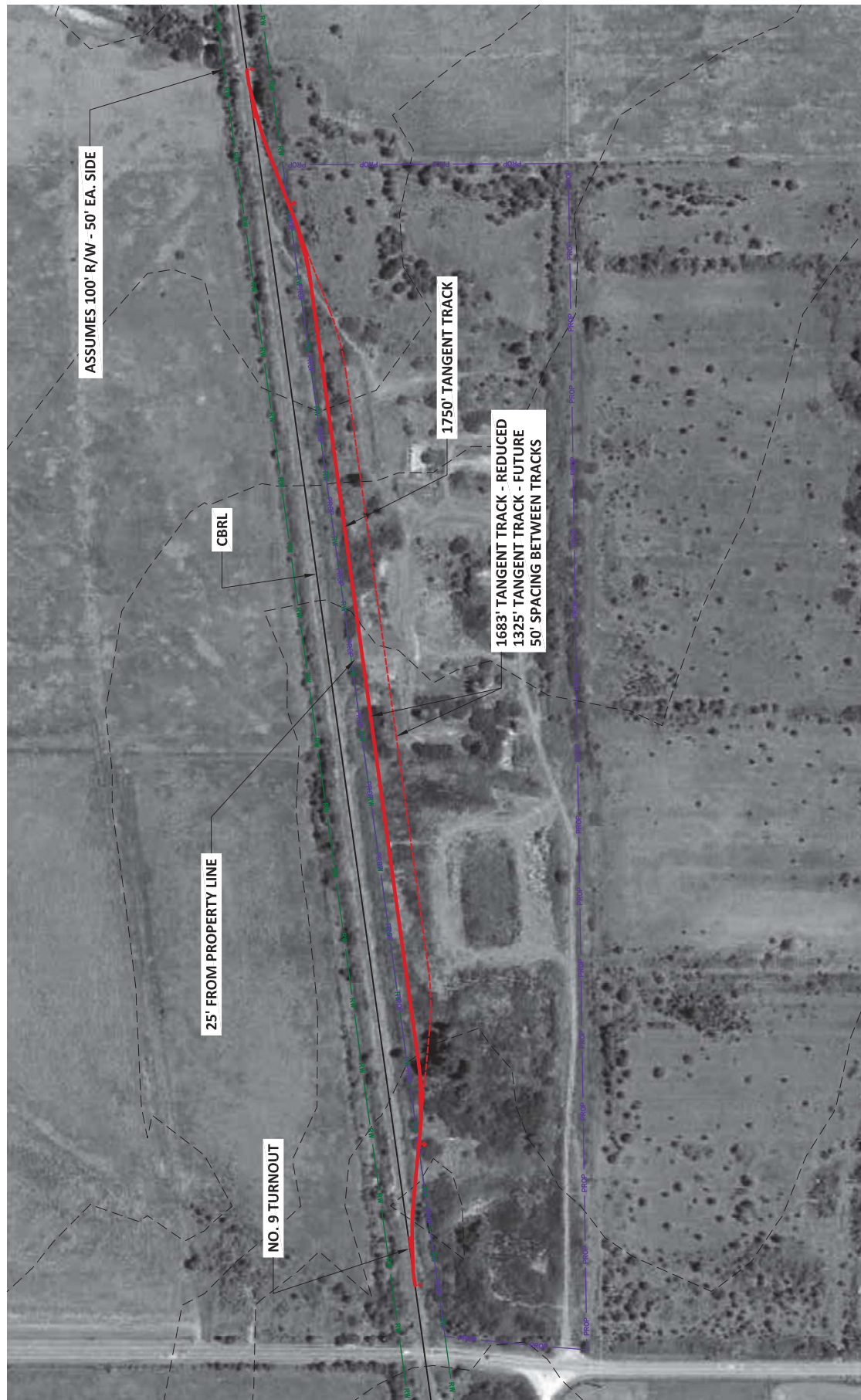
“LCRP” = Lost Creek Rock Products

[illegible]DUCTS, LLC
P.O. BOX 518
CRESSWELL, OR 97426

LOST CREEK ROCK PRODUCTS, LLC
GRESWELL, OREGON
SITE 4: GREENHILL TRACT
CONCEPT PLAN



Thomas W. Wisner, P.E.
Consulting Railway Engineer

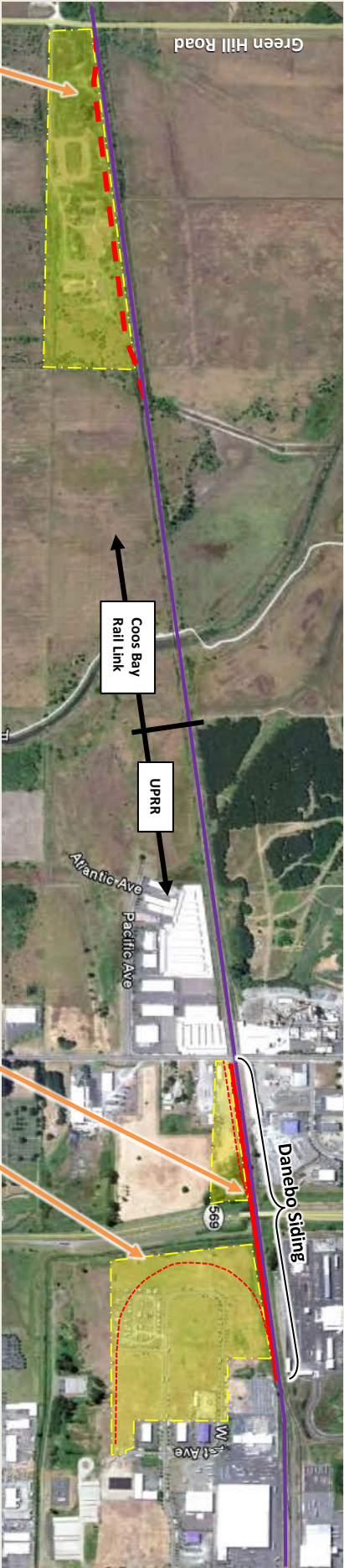


CONCEPTUAL: WORK IN PROGRESS

PLOT DATE: Oct 10, 2011 - 11:21am



LOST CREEK ROCK PRODUCTS WEST EUGENE RAIL PLAN



Phase II GREEN HILL ROAD MULTIMODAL FACILITY

- **ConnectOregon IV application**
- Owned by Lost Creek R.P.
- Proposal to build 1,750' tangent track with two turnouts
- On the Coos Bay Rail Link (CBR)
- Primary use: truck-rail transfer of products shipped on the CRB to/from Coos Bay / Mapleton
- Capacity for future additional trackage

Phase I DANEBO SIDING

- Leased from UPRR
- Adjacent property owned by Lost Creek R. P.
- 1,200' of tangent track
- Currently being rehabilitated by Lost Creek Rock Products
- Interim use: handle cargo shipped on the CBR for Coos Bay / Mapleton while Green Hill site is developed
- Future use: reload facility for products shipped on the UPRR

Phase III LANE PLYWOOD

- Site for potential rail facility development
- Owned by Lost Creek R.P.
- Access to the UPRR, future access to the Central Oregon & Pacific, and the Portland & Western
- Potential 2,900' track



Oregon Transportation Commission
 % Oregon Department of Transportation
 355 Capitol St. NE
 Salem, OR 97301-3871
 November 20, 2011

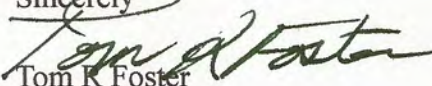
Re: ConnectOregon IV Support for Lost Creek Rock Rail Loading Facility in West Eugene

Having a healthy shortline network in the State of Oregon is essential to meeting the state's future transportation and environmental goals. The State has made a major investment in the Coos Bay Rail Link (CBR). To enhance and better protect this investment and to provide modal choices to the southwest region of the State, CBR is in total support of the application by Lost Creek Rock Products.

Lost Creek is planning and developing a rail loading facility on a site in West Eugene with local access to the CBR. Lost Creek plans to load ballast and spec rock for not only the CBR, but for other rock users on the coast. Lost Creek Rock is also exploring the possibility of moving various forest products such as logs and woodchips to the coast.

For Lost Creek to build its facility and transport the spec rock, they will need the cooperation of CBR to install turnouts on our mainline and also pricing for the railcar movements. We have already provided pricing for the movement of rock from the Eugene area to various points on our railroad. When Lost Creek begins to design and build track for these rock movements CBR will work with them to insure that a cost effective project is being built. CBR's goal in this project is to provide the most cost effective means to deliver rock to the coast.

CBR totally supports Lost Creek's application since these rock movements will provide a steady revenue stream to CBR helping us to become more financially viable now and into the future. Regional shippers without any direct rail access will be provided with another modal alternative besides truck. More importantly this project will enhance and further connect Oregon's shortline network.

Sincerely

 Tom R. Foster
 General Manager
 Coos Bay Rail Link

FLOYD PROZANSKI

STATE SENATOR

DISTRICT 4

503-986-1704 - Capitol

541-342-2447 - District

Email: sen.floydprozanski@state.or.us



OREGON STATE SENATE
900 COURT ST NE
SALEM, OREGON 97301

REPLY TO ADDRESS INDICATED:

☐ 900 Court St NE

Salem, OR 97301

☒ P.O. Box 11511

Eugene, OR 97440

November 16, 2011

Oregon Transportation Commission
 c/o Oregon Department of Transportation
 355 Capitol St. NE
 Salem, OR 97301

Re: Lost Creek Rock Products Lane County Rail Loading Facility

Dear Commissioners,

I am writing in support of Lost Creek Rock Products' proposal to develop a rail loading facility off Greenhill Road along the Coos Bay Rail Link (CBR) in Lane County and its application for ConnectOregon IV funding.

Lost Creek Rock is planning to develop this rail loading facility in far west Eugene with access to the CBR. Lost Creek Rock plans to load ballast rock for the CBR as well as other rock and aggregate materials for construction projects along the coast. The facility will fill a need for a transfer point to the rail mode for products moving to the coast.

Since the state recently made a major investment in the Coos Bay Rail Link (CBR), it would be prudent to support such operations that will use the CBR. The Lost Creek Rock loading facility will provide an ongoing revenue stream to the CBR, helping it to remain financially viable into the future.

The Lost Creek Rock loading facility will provide regional shippers that currently have no direct rail access with a modal alternative to trucking. Currently, it is difficult to secure cost-effective trucking services to the Oregon Coast, particularly for low-cost products such as rock and other aggregate materials. This means that shippers and end-users of those types of products on the coast typically pay more than they would along the I-5 corridor.

Accordingly, I hope the Commission will also support and approve Lost Creek Rock Products' application for ConnectOregon IV funding.

Very truly,

Floyd Prozanski





October 28, 2011

Oregon Transportation Commission
c/o Oregon Department of Transportation
355 Capitol St. NE
Salem, OR 97301-3871

Re: *ConnectOregon* IV Support for Lost Creek Rock Rail Loading Facility in West Eugene

Having an economically viable and cost-effective shortline railroad network functioning as a critical component of the statewide rail system in Oregon is increasingly vital in meeting current and future transportation needs and environmental goals.

The State of Oregon has made several major investments in the Coos Bay rail line, which is now owned by the Oregon International Port of Coos Bay, and is operated by an experienced shortline operator, ARG TRANS, as the Coos Bay Rail Link (Association of American Railroads reporting mark: CBR).

In order to increase the value of those investments, help build car loadings and freight rail revenue, and provide modal choice to the southwest region of the state, the Port is pleased to support the application of Lost Creek Rock Products.

Port staff understands that Lost Creek Rock is planning to develop a rail loading facility on a site in west Eugene with access to the Coos Bay rail line. Lost Creek hopes to load ballast rock for the ongoing rehabilitation of the rail line, as well as provide rock products for a variety of construction projects in the southwest coast region. Lost Creek also is exploring opportunities to move forest products and wood fiber by rail.

The Rock Creek facility will fill a growing need for an intermodal transfer point for truck to rail commodity movements to the southwest coast.

The Port supports the Lost Creek *ConnectOregon* IV application since products loaded out at this facility will provide an ongoing revenue stream to the CBR, thereby helping the rail line operator remain financially viable. The facility will also provide regional shippers lacking direct rail access a modal alternative to trucking. This project will help sustain the shortline railroad network that provides critical rail connections for Oregon's traded-sector economy.

Sincerely,

Martin Callery
Chief Commercial Officer
Oregon International Port of Coos Bay

125 West Central Avenue, Suite 300 / P.O. Box 1215 / Coos Bay, Oregon 97420-0311
Phone: 541 267-7678 / Fax: 541 269-1475 / email: portcoos@portofcoosbay.com / Web: www.portofcoosbay.com

State of Oregon
Representative Offices: Tokyo, Japan – Oregon Japan Representative Office / Phone: 81 3 3580-8951 Fax: 81-3-3580-9071
Taipei, Taiwan, R.O.C. Oregon Trade & Information Center / Phone: 886-2-2723-2320 Fax: 886-2-2723-2312

**FAYE HILLS STEWART**

Lane County Commissioner
East Lane District
Faye.Stewart@co.lane.or.us

November 14, 2011

Oregon Transportation Commission
c/o Oregon Department of Transportation
355 Capital St. NE
Salem, Oregon 97301-3871

RE: Connect Oregon IV Project Support

I'm writing to encourage your support for Lost Creek Rock's application for their Rail Loading Facility in West Eugene. As a Lane County Commissioner I recognize the importance of the Coos Bay Rail Line and the potential it has in generating jobs and improving freight movement in Lane, Douglas, and Coos Counties. The Lane County Commissioners have supported and continue to support the Coos Bay Rail Line in the effort to upgrade and improve the rail line and the effort to bring it back into operation. I want to thank the OTC for your support for the rail line in the past.

Lost Creek Rock's effort to build a loading facility in West Eugene is a critical next step in the Coos Bay Rail Line being able to support and improve rail shipments along the rail line. This will lower costs to ship products on the Coos Bay line and make it very competitive to ship products from Eugene to Coos Bay. At the present time I'm not aware of a loading facility in West Eugene on the Coos Bay Rail Line and without one it makes it very difficult to utilize the maximum potential to ship products on the line. I believe that building this facility we will see jobs created and a more efficient alternative to shipping freight to and from Lane County.

Sincerely,

Faye Stewart
Lane County Commissioner

BENNY HEMPSTEAD EXCAVATING, INC.

November 15, 2011

To whom it may concern:

We are a user of rock products on the southern part of the Oregon Coast and we are writing to support the application submitted by Lost Creek Rock Products for Connect Oregon funding.

We are an emerging small business, in a certified hubzone area, performing primarily excavation and site work and we employ twelve people. We have successfully completed many, many small and large projects. Our experience in the southern part of the Oregon Coast dates back to 1995. As you probably suspect, many of those projects required us to import high quality rock. There are few sources of rock in the southern Oregon Coast area and the sources that exist struggle to produce quality rock. As a result, getting rock to our projects has always been critical (transportation of rock is a factor that I believe every good contractor would admit causes him or her to lose sleep). Trucking costs fluctuate with fuel costs, and the availability of trucking subcontractors can also vary dramatically.

It is our understanding that the Lost Creek Products facilities proposed in west Eugene, Reedsport, and Coos Bay anticipate using rail as a primary means of delivering quality rock to southern Oregon Coast. In our opinion, if the Lost Creek Products application is granted, the result would be a great benefit to contractors, owners, and the region. The importance of reliability in terms of quality, price and delivery cannot be overestimated. Currently, contractors are forced to either take huge risks in pricing rock for their projects or include a large contingency amount in their pricing. Neither option is good for contractors or the community. Having a reliable source of quality rock would lessen the burden on contractors and, in turn, lessen the cost to owners. In addition, having modal choice would ensure competitive transportation rates which in turn would enable us to retain our current employees and to potentially hire ten new positions.

We strongly suspect that every owner who anticipates building any sort of infrastructure project and who has any knowledge of the current process for securing quality rock (including the state of Oregon) would agree that the proposed Lost Creek Products facilities are needed and will improve the economic health of the region, which is something that is badly needed.

We support the application submitted by Lost Creek Rock Products and look forward to its approval. We welcome any questions you may have or the opportunity to provide additional information if requested.

Sincerely,



Benny Hempstead, President
Benny Hempstead Excavating, Inc.

UNION PACIFIC RAILROAD
5424 South East McLoughlin Boulevard
Portland, Oregon 97202

Brock Nelson Director Public Affairs

P 503 249 3079
C 503 320 3099
F 402 233 3162
E banelson@up.com

November 16, 2011

Oregon Transportation Commission
c/o Oregon Department of Transportation
355 Capitol St. NE
Salem, OR 97301-3871

Re: Lost Creek Rock Rail Loading Facility Project in West Eugene and Connect Oregon Program
Funding

Dear Oregon Transportation Commissioners:

On behalf of Union Pacific Railroad (UP), I am writing to inform you of our company's support of the Lost Creek Rock Rail Loading Facility Project in West Eugene that is seeking Connect Oregon (IV) Program funding.

The Lost Creek Rock Rail Loading Facility Project focuses on the loading of rock material at two different sites in West Eugene by leasing a siding from our company to load ballast rock destined for the Coos Bay Rail Link (CBR). The CBR is operating once again between Coos Bay and Eugene where the interchange with UP is located.

Lost Creek is also in the process of developing a site for other products, including rock and wood products to move on the CBR to Coos Bay. The business generated at this facility should provide a revenue stream to help the financial viability of the CBR and strengthening the short line rail network in the state.

Please feel free to contact me if you have any questions.

Sincerely,



Brock Nelson
Director Public Affairs





November 14, 2011

Oregon Transportation Commission
c/o Oregon Department of Transportation
355 Capitol St. NE
Salem, OR 97301-3871

Re: ConnectOregon IV Support for Lost Creek Rock Rail Loading Facility in West Eugene

Having a healthy shortline network in the State of Oregon is vital to meet future transportation and environmental goals. The State has made a major investment in the Coos Bay Rail Link (CBR). In order to protect that investment and provide modal choice to the southwest region of the State and provide rail connectivity on the shortline network, Portland & Western Railroad, Inc., supports the application of Lost Creek Rock Products.

Lost Creek Rock is planning to develop a rail loading facility on a site in West Eugene with access to the CBR. Lost Creek plans to load ballast rock for the CBR, other rock for construction projects on the coast and elsewhere in the region, as well as forest products.

We support the Lost Creek Rock application since the products that will be loaded out at this facility will provide an ongoing revenue stream to CBR helping them remain financially viable well into the future. It will also provide regional shippers with no direct rail access with a modal alternative to trucking. This project will help lay the groundwork for a better connected shortline network in the future.

Sincerely,

James Irvin
President & General Manager

Green Hill Road Multimodal Facility - Transportation Cost Analysis

Final Report

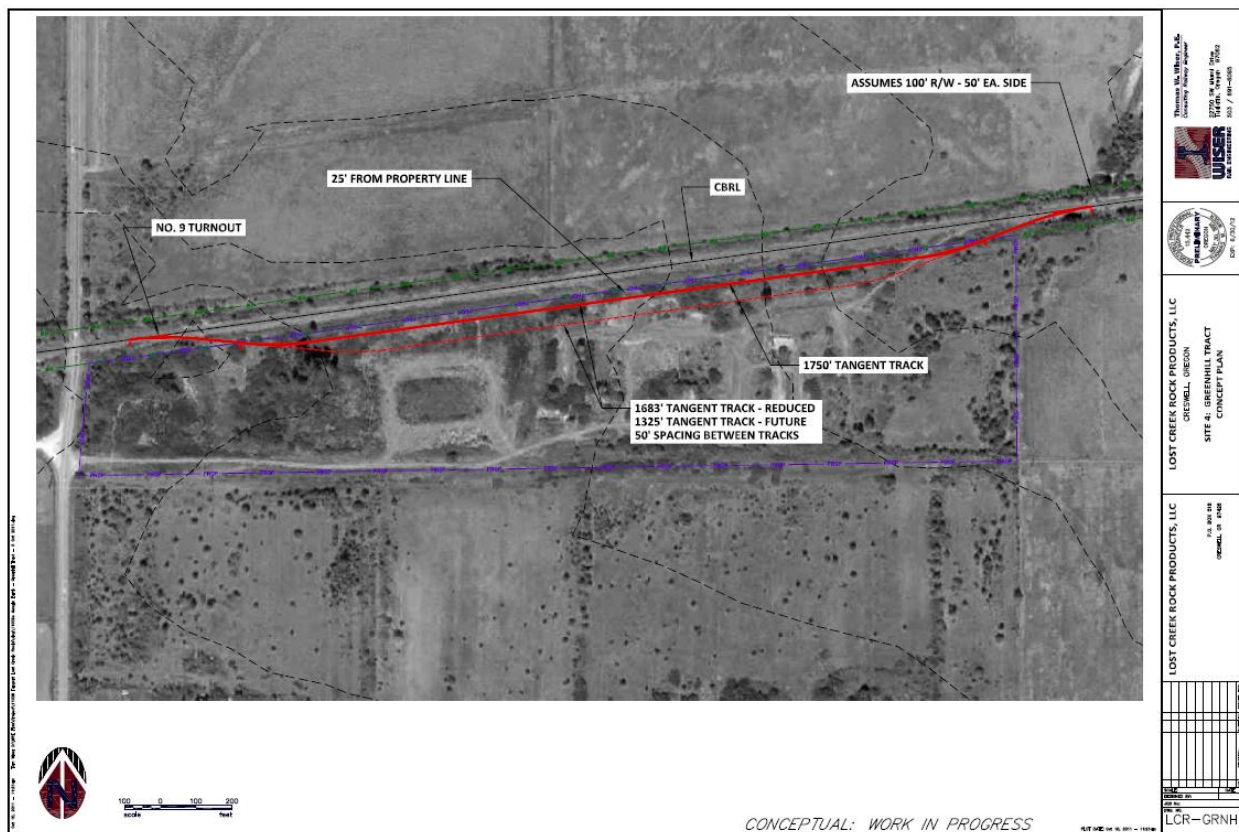
PREPARED FOR

Lost Creek Rock Products LLC

PREPARED BY

Tangent Services Inc.
4160 SE International Way, Suite 206
Milwaukie OR 97222
(503) 594-2101

November 15, 2011



BACKGROUND

Lost Creek Rock Products (LCRP) proposes to build a multimodal (truck to rail) transfer facility on 6.5 acres of land off of Green Hill Road in West Eugene. The site is located on the Coos Bay Rail Link (CBR) mainline. Improvements will include two turnouts connecting to the mainline and 1,750' of tangent track within the property. Please see Appendix III for the facility drawing. LCRP will also acquire approximately \$400,000 of equipment (front end loaders, excavators, scales) for the operation.

The facility will be primarily used to ship construction grade rock to the Oregon Coast. The rock will be trucked from the LCRP-owned Parvin Butte Quarry in Dexter, Oregon and other local quarries to the Green Hill Road facility where it will be transferred into rail cars. The rock will then be moved by the CBR to LCRP-controlled sites in Mapleton and on the North Spit in Coos Bay. Please see Appendix II for a map of the CBR and LCRP network. The facility will also be able to handle logs, wood chips and lumber as well as other products should the market demand it.

The project promises to provide economic benefits to Oregon. Market research indicates a high demand at the Oregon Coast for the high-grade basalt rock from Parvin Butte. Uses include ballast rock for railroads, rock used in asphalt and concrete, and jetty rock meeting the high standards set by the Army Corp of Engineers.

The project would leverage significant public investment in the CBR. All told, \$47.5 million of State of Oregon and U.S. Federal grants and loans have been committed to the rehabilitation of this rail corridor, which connects the Willamette Valley with the Oregon Coast. Please see Appendix I for a more detailed breakdown of CBR funding. This CBR rehabilitation project is scheduled for completion in 2012.

LCRP is a partnership between ATR Land LLC and McDougal Bros. Investment. The partners also own many land parcels which are related to the timber, commercial, and residential industries including the Parvin Butte Quarry in Dexter, Oregon.

STUDY PURPOSE

Tangent Services performed this study for LCRP to determine transportation costs savings related to the development of the Green Hill Road multimodal facility in West Eugene. The study is intended to supplement LCRP's application for State of Oregon ConnectOregon grant funds to be submitted in November 2011.

The study carefully considers the various transportation and operating costs related to a "With Project" case and a "Without Project" case.

- The "With Project" case assumes that crushed rock will be transported by truck from Dexter, Oregon, to the West Eugene (Green Hill Road) site, transloaded from truck to railcar, and then railed by the Coos Bay Rail Link to Mapleton, Oregon, and the North Spit in Coos Bay, Oregon.

- The “Without Project” case assumes that crushed rock will be transported by truck from Dexter directly to Mapleton and the North Spit in Coos Bay. The study compares the relative transportation costs of the two cases during the first full year of operation.

SUMMARY OF RESULTS

The study finds that the total cost of transporting crushed rock, including rail and truck haul, transload, railcar leasing, and facility operating costs, is significantly lower in the “With Project” case. As shown in Table 1 (below), in the first year of operation “With Project” costs total \$1,979,880 while “Without Project” costs total \$3,531,900. This equates to an annual transportation cost savings of \$1,552,020, or \$10.35 per metric ton of product shipped.

Table 2 provides a summary of operating/transload cost assumptions.

ASSUMPTIONS

Cases

- The “With Project” case assumes that crushed rock will be transported by truck from Dexter, Oregon, to the West Eugene (Green Hill Road) site, transloaded from truck to railcar, and then railed by the Coos Bay Rail Link to Mapleton, Oregon, and the North Spit in Coos Bay, Oregon.
- The “Without Project” case assumes that crushed rock will be transported by truck from Dexter directly to Mapleton and the North Spit in Coos Bay.

Volumes

- First-year weekly volumes are projected to be 25 to 35 rail cars of rock product and 3 to 5 railcars of manifest. This equates to between 1,456 and 2,080 railcars in the first year. Total tonnage is estimated at between 130,000 and 182,000 metric tons in the first year. For the purposes of the analysis, an expected case of 1,500 railcars and 150,000 metric tons is used.
- Volumes are distributed 33 percent to Mapleton and 67 percent to Coos Bay.
- Truck loads are 20 metric tons and railcar loads are 100 metric tons.

Distances

- It is 30 truck miles from Dexter to the Green Hill Road site, 77 truck miles from Dexter to Mapleton, and 121 truck miles from Dexter to Coos Bay.
- On the Coos Bay Rail Line it is 44 miles from the Green Hill Road Site to Mapleton and 113 miles from the Green Hill Road site to Coos Bay.

Transportation Costs

- Truck cost is assumed to be \$0.35 per ton-mile for the first 15 miles and \$0.20 per ton-mile for each incremental mile. The source of this figure is the paper, The hidden costs of relocating sand and gravel mines, William K. Jaeger, Department of Agricultural and Resource Economics, Oregon State University (2006). The factor assumes a 20-ton load. The above factors include the return trip of the empty truck. For example, a one-way haul of ten miles and the return trip will result in a cost of \$70 (10 miles * 20 tons * \$0.35).
- Rail line haul cost is assumed to be \$0.04 per ton-mile. The source of this factor is also the Jaeger paper cited above. This factor is comparable to actual rail rate quotes which cannot be shared due to confidentiality. The above factor includes the return trip of the empty railcar. For example, a one-way haul of 50 miles and the return trip will result in a cost of \$200 (50 miles * 100 tons * \$0.04).

Operating Costs

- Open-top gondola rail cars will be provided by the shipper. It is assumed that 20 railcars will be leased at a rate of \$400 per rail car per month which equates annual cost of \$96,000.
- The cost of equipment (loaders, excavators, scales) is assumed to be \$400,000 amortized over ten years, which equates to \$40,000 per year.
- The cost of land is assumed to be \$41,665 (the purchase cost of 6.5 acres) amortized over ten years, which equates to \$4,167 per year. This figure is rounded up to \$5,000 to account for property taxes.
- Labor at the Green Hill site is assumed to be one full-time equivalent at \$50,000 per year.
- The annual maintenance cost for the facility is assumed to be \$10,000 per year.

TABLE 1
SUMMARY OF RESULTS

	Without Project	With Project	Notes
A Volume - Metric Tons	150,000	150,000	
Volume Distribution (Weighting)			
B Destination: Mapleton	33%	33%	
C Destination: Coos Bay	67%	67%	
Truck Miles			
E Dexter-Eugene		30	
F Dexter-Mapleton	77		
G Dexter-Coos Bay	121		
H Weighted Truck Miles	106		$(B * F) + (C * G)$
Rail Miles			
I Eugene-Mapleton		44	
J Eugene-Coos Bay		113	
K Weighted Rail Miles		90	$(B * I) + (C * J)$
Ton-Mile Cost Factors			
L Truck - 1st 15 miles	\$0.350	\$0.350	Source: Jaeger
M Truck - Each mile after 15 miles	\$0.200	\$0.200	Source: Jaeger
N Rail		\$0.040	Source: Jaeger
Transload Cost Factor			
O Truck to Rail per ton		\$1.34	see Operating Cost table
Transportation Cost			
P Truck Cost - 1st 15 mile	\$787,500	\$787,500	$(A * H * L)$
Q Truck Cost - Incremental	\$2,744,400	\$450,000	$(A * H * M)$
R Rail Cost	\$0	\$541,380	$(A * E * N)$
S Subtotal - Transportation	\$3,531,900	\$1,778,880	
T Transload Cost	\$0	\$201,000	$(A * O)$
U Total Cost	\$3,531,900	\$1,979,880	
V Total Cost / Ton	\$23.55	\$13.20	(U / A)
W Cost Reduction - With Project		\$1,552,020	Without Project - With Project
X Cost Reduction / Ton - With Project		\$10.35	(W / A)

TABLE 2
OPERATING COSTS

Category	Annual Expense	Notes
Equipment	\$40,000	<i>The cost of equipment (loaders, excavators, scales) = \$400,000 amortized over ten years.</i>
Land	\$5,000	<i>The cost of land = \$41,665 (the purchase cost of 6.5 acres) amortized over ten years, which equates to \$4,167 per year. This figure is rounded up to \$5,000 to account for property taxes.</i>
Labor	\$50,000	<i>One full-time equivalent.</i>
Rail Equipment Rent	\$96,000	<i>20 railcars leased at a rate of \$400 per rail car per month.</i>
Maintenance	\$10,000	
Total	\$201,000	

Annual Metric Tons 150,000
 Transload Cost / Ton \$1.34

APPENDIX I
COOS BAY RAIL LINE REHABILITATION

<i>Funding 2009-present</i>	<i>Loan</i>	<i>Grant</i>	<i>Use</i>
State of Oregon	\$5,400,000		Rail line purchase
SAFETEA:LU		\$7,200,000	Rail line purchase
ConnectOregon I		\$4,000,000	Rail line purchase
American Recovery & Reinvestment Act 2009		\$2,500,000	Tunnel repair
Oregon Lottery HB5054		\$3,500,000	Tunnel/track structure
ConnectOregon III		\$7,900,000	Tunnel/bridge
TIGER II		\$13,500,000	Track structure
SAFETEA:LU		\$2,500,000	Marine-benign treated railroad ties
Ore. Dept. Transportation & Federal Railroad Admin.		\$1,000,000	Signalized crossings
Totals	\$5,400,000	\$42,100,000	

Source: <http://coosbayraillink.com/projects.htm>, November 15, 2011

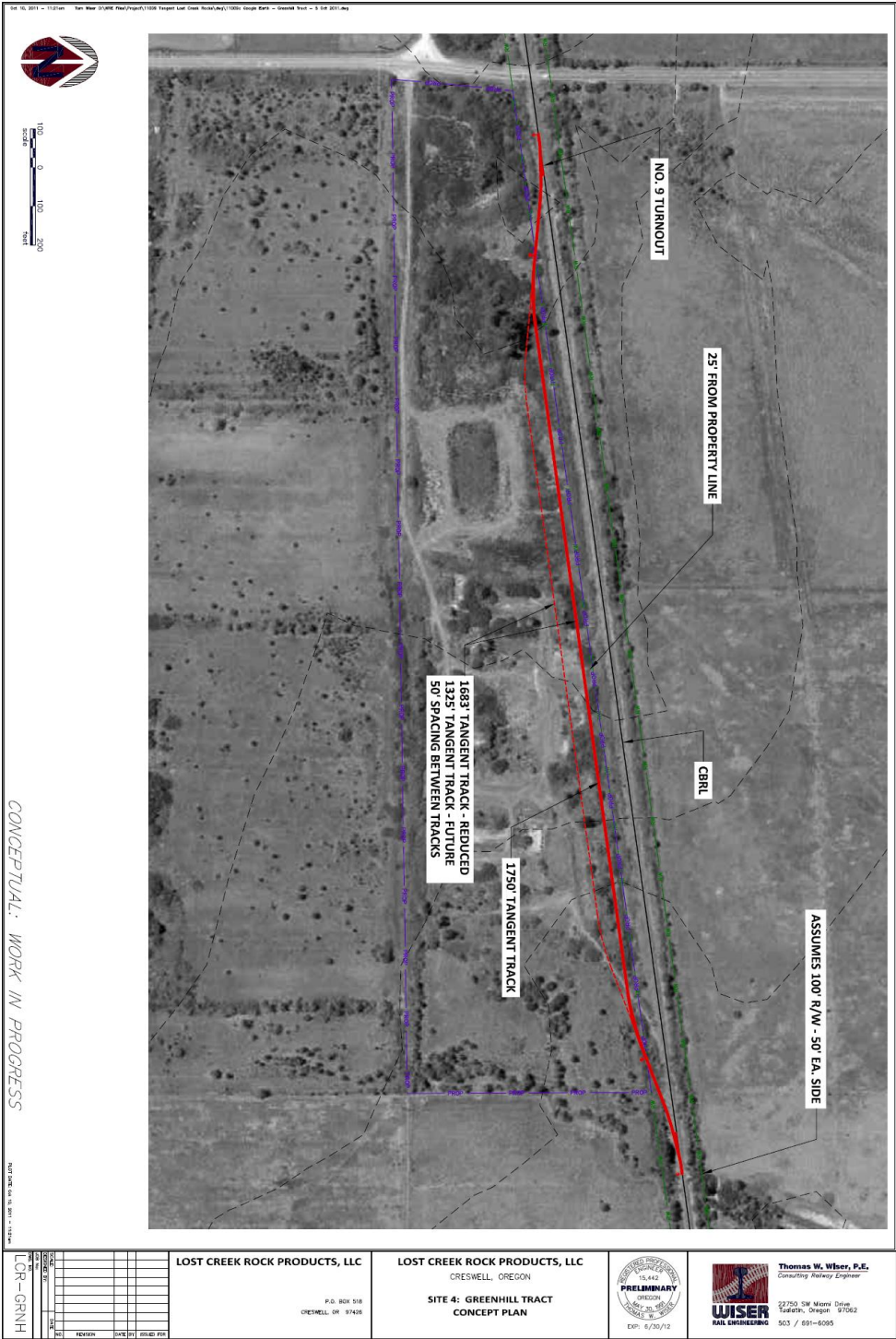
APPENDIX II

COOS BAY RAIL LINE AND LOST CREEK ROCK PRODUCTS NETWORK MAP



"LCRP" = Lost Creek Rock Products

APPENDIX III
DRAWING – GREEN HILL ROAD MULTIMODAL FACILITY



OPTION AGREEMENT**EFFECTIVE****DATE:** October 21st, 2011**FROM:** Davidson Industries, Inc., herein called "Owner"**AND:** Lost Creek Rock Products, LLC, herein called "Optionee"**RECITALS:**

A. Owner owns the unimproved real property described on the attached **Exhibit A** (Property).

B. Optionee desires to acquire an option to purchase the Property. Owner has agreed to grant Optionee an exclusive option to purchase the Property on the terms and conditions stated herein.

AGREEMENTS:

1. Grant of Option. In consideration of the sum of \$1,000 paid to Owner by Optionee in cash, receipt of which is acknowledged by Owner, Owner grants to Optionee the sole and exclusive option to purchase the Property in the manner and for the price stated in this Agreement.

2. Option Terms

2.1 Term. The term of this option shall commence upon execution and shall continue until May 1, 2013.

2.2 Exercise of Option. This option shall be exercised by written notice ("exercise notice") given by Optionee to Owner at any time during the term of the option, which notice shall state that Optionee has elected to exercise this option. This option may be exercised only with respect to the entirety of the Property, and nothing contained herein shall be construed as permitting Optionee to purchase less than all of the Property. Upon exercise of this option, Optionee shall be obligated to purchase the Property from Owner for the price set forth herein. Notwithstanding any other provision of this option, Optionee may not exercise until Owner has obtained the NFA(s) described in Section 9.3 below.

2.3 Failure to Exercise Option. If Optionee fails for any reason to exercise this option in the manner set forth herein, Optionee shall have no further claim against or interest

in the Property or any of the option money paid. In the event of the failure to exercise the option, Optionee shall provide Owner with any instruments that Owner reasonably may deem necessary for the purpose of removing from the public record any cloud on title to the Property which is attributable to the grant or existence of this option. However, no document shall be recorded to put this option of record.

3. Option Money. In payment for Owner's grant of this option, Optionee has paid Owner the sum of \$1,000. If the option is exercised and the Property is acquired by Optionee, then the option payment paid by Optionee shall be credited against the purchase price at closing.

4. Purchase Price

4.1 Purchase Price. The purchase price for the Property ("Purchase Price") is \$250,000.

4.2 Payment of Purchase Price. The Purchase Price shall be payable as follows:

4.2.1 Optionee shall be given credit for the option money payment of \$1,000.

4.2.2 Two Hundred Forty-Nine Thousand Dollars (\$249,000) shall be paid in cash upon closing.

5. Prorate. Real Property taxes for the current tax year shall be prorated as of the closing date.

6. Closing Date. The closing date of the sale of the Property shall be within 20 calendar days after the date of exercise of the option by Optionee, at which time Optionee must pay Owner, in cash, the entire remaining balance of the purchase price.

7. Escrow Agent. In the event of exercise of this option, the parties hereby designate Cascade Escrow, Eugene, Oregon to serve as escrow agent for the purpose of closing this sale. The parties shall equally share the costs of closing the escrow.

8. Remedies

8.1 Optionee. If Owner breaches any term or provision of this Agreement, then Optionee, as its exclusive remedy and in lieu of any other relief, will obtain the return of the option money payment previously paid to Owner. Except as noted in this Agreement, Optionee waives the right to pursue any other remedy in law or equity against Owner other than the remedy specified above, including any action for damages, in the event of a default by Owner.

8.2 Owner. If Optionee breaches any term or provision of this Agreement, and regardless of whether the breach occurs before or after Optionee notifies Owner of the exercise of the option, then Owner, as its exclusive remedy and in lieu of any other relief, shall be entitled to terminate this Agreement by giving Optionee written notice of termination and to retain the option money payment paid by Optionee. Owner expressly waives the right to pursue any other right or remedy in law or equity.

8.3 Other Remedies. The limitations on remedies set forth in this section shall not preclude either party from seeking or obtaining injunctive relief or from seeking recovery against the other for causing physical damage or injury to persons or property.

9. Conditions Precedent to Closing. In addition to any other conditions contained in this Agreement, set forth below are certain conditions precedent for the benefit of both parties (the "Conditions"). The Conditions are for the benefit of both parties and both parties shall have the right to waive, by written notice, any of the Conditions, at their sole discretion; giving the exercise notice shall not constitute such a waiver. If any Condition is not satisfied or waived on or before the deadline for satisfaction specified herein, then either party shall have the right to terminate this Agreement, at its sole election, by giving the other party notice of termination before the deadline expires, and Optionee shall obtain the return of the option money payments paid. The Conditions specifically delineated in this section are the following:

9.1 On the Closing Date, the Title Company (defined below) shall be ready, willing, and able to issue, and shall issue to Optionee on recordation of the Owner's deed mentioned below, the title insurance policy required by Section 11.4.

9.2 On or before the Closing Date, each party shall have performed all of the covenants, conditions, agreements, and promises to be performed by it under this Agreement.

9.3 Owner shall have obtained one or more "no further action" letters ("NFA") from the Oregon Department of Environmental Quality covering the entire Property.

10. Title. Upon providing notice of exercise of the option, Owner shall deliver to Optionee, at Owner's expense, a preliminary title report ("Title Report") covering the Property. The Title Report shall be issued by Cascade Title Company. The Title Report shall be accompanied by legible copies of all plats and exceptions to title referenced in the Title Report ("Exceptions"). Within 20 days of receiving the Title Report and the Exceptions documents, Optionee shall give written notice ("Initial Notice") to Owner of the Exceptions that Optionee shall require Owner to remove of record at or before Closing ("Unacceptable Exceptions"). If Optionee fails to give Owner the Initial Notice, then Optionee shall be deemed to have approved the Title Report. Owner shall have 20 days following receipt of the Initial Notice to give written notice to Optionee ("Reply Notice") of those Unacceptable Exceptions that Owner concludes, in good faith, that Owner cannot or will not remove at or before Closing. Owner shall not have any obligation to institute litigation or spend any sum of money to cure or remove any Exceptions;

provided, however, that Owner shall be obligated to remove, at or before Closing, any Exception created or suffered to be created by Owner that is security for payment of a sum of money (including mortgages, deeds of trust, tax liens, contractor's liens, and judgment liens) and any Exception created, or suffered to be created, by Owner after the Effective Date, except for encumbrances created to obtain or comply with the NFA(s) which shall not be Unacceptable Conditions. Owner agrees to remove all Unacceptable Exceptions not referenced in a duly given Reply Notice. If one or more of the Unacceptable Exceptions cannot be removed at or before Closing and Owner so states in a duly given Reply Notice, then Optionee may exercise any of the following rights by giving written notice to Owner within 15 days of receiving the Reply Notice: (1) Optionee may terminate this Agreement, in which event the option money payment shall be refunded to Optionee and neither party shall have any further liability; or (2) Optionee may accept title to the Property subject to any such Unacceptable Exceptions. The foregoing rights of Optionee shall not be deemed waived by giving the exercise notice. Exceptions that are shown on the Title Report and to which Optionee does not object or to which Optionee agrees, in writing, to waive objection, are referred herein to as the "Permitted Exceptions".

11. Closing

11.1 Time and Place. Closing of the sale and purchase of the Property ("Closing") shall occur on a date ("Closing Date") selected by Optionee, but in all events the Closing shall occur within 20 days after the date that the exercise notice is given. The escrow for the Closing shall be established at the office of Cascade Title & Escrow, 811 Willamette Street, Eugene, OR 97401 ("Title Company").

11.2 Closing Obligations. On the Closing Date, Owner and Optionee shall deposit the following documents and funds in escrow, and the Escrow Company shall close escrow in accordance with the instructions of Owner and Optionee.

11.2.1 Owner shall deposit the following:

- (1) The conveyance documents described in Section 12, duly executed and acknowledged;
- (2) A duly executed affidavit certifying that Owner is not a foreign person, trust, partnership, or corporation in compliance with the requirements of IRC §1445;
- (3) Such documents as Optionee or the Title Company may reasonably require to evidence the authority of Owner to consummate this transaction; and
- (4) Such other documents and funds, including (without limitation) escrow instructions, as are required of Owner to close the sale in accordance with this Agreement.

11.2.2 Optionee shall deposit the following:

- (1) The cash payment specified in Section 4, minus any credits available to Optionee under the terms of this Agreement;
- (2) Such documents as Owner or the Title Company may reasonably require to evidence the authority of Optionee to consummate the transaction contemplated; and
- (3) Such other documents and funds, including (without limitation) escrow instructions, as are required of Optionee to close the sale and purchase of the Property in accordance with this Agreement.

11.3 Costs. Optionee and Owner each shall pay one-half of the escrow fee of the Escrow Company with respect to the Closing. Owner shall pay the premium for the title insurance policy that Owner is obligated to provide to Optionee.

11.4 Title Insurance Policies. As soon as practicable after Closing, Owner shall cause the Title Company to issue its standard form Owners' ALTA Title Insurance Policy, in the amount of the Purchase Price, insuring fee simple title to the Property vested in Optionee, subject only to the Permitted Exceptions.

12. Conveyance. At the Closing, Owner shall execute, acknowledge, and deliver to Optionee a Statutory Warranty Deed conveying the Property to Optionee, subject only to the Permitted Exceptions.

13. Possession. Optionee shall be entitled to exclusive possession of the Property on and after the Closing Date.

14. Covenants of Owner. Owner acknowledges that the covenants of Owner contained in this Agreement, including the covenants contained in this Section 14 ("Covenants"), are material inducements to Optionee to enter into this Agreement. The Covenants specifically delineated in this Section are the following:

14.1 Ownership. During the term, Owner shall not sell, contract to sell, assign, lease, or otherwise transfer the Property or any part of it, nor grant an option to any third party to acquire all or any portion of it.

15. Warranties and Representations of Owner

15.1 Warranties. Owner acknowledges that the warranties and representations of Owner contained in this Agreement, including the warranties and representations contained in this Section 15 ("Warranties"), are material inducements to Optionee to enter into this Option Agreement. All Warranties, and Optionee's right to assert a breach of them, shall survive

execution of this Agreement, the Closing, and the execution and delivery of the Closing documents. If, before Closing, Optionee discovers or is advised that any of the Warranties was untrue when made, then Optionee shall have the option to either (1) terminate this Agreement and obtain the return of all option money payments paid, or (2) continue this Agreement by waiving any cause of action that Optionee may be entitled to assert against Owner by reason of the breach of the Warranty.. Owner warrants and represents to Optionee that the following matters are true and correct:

15.1.1 No Condemnation or Assessment Proceedings. There is no pending or threatened condemnation or similar proceeding or assessment affecting the Property, or any part of it and, to the knowledge of Owner, no such proceeding is contemplated by any governmental entity.

15.1.2 Litigation. There is no litigation, arbitration, or administrative hearing pending before any governmental authority that concerns or affects the Property or any portion of it and, to the knowledge of Owner, no such proceeding is threatened, except the DEQ process of which Optionee has been informed.

15.1.3 Site Conditions. Owner has no knowledge of any pending changes in land use designation (comprehensive plan or zoning ordinance) that apply to the Property. To the knowledge of Owner, there are no material encroachments onto the Property.

15.1.4 Status of Owner. Owner warrants that Owner is not a foreign person, foreign partnership, foreign corporation, or foreign trust, as those terms are defined in IRC §1445.

15.1.5 Breach of Agreements. Neither the execution of this Agreement, nor the execution, delivery, or recordation of any document or agreement referenced herein, nor the exercise of the option and closing of the transaction contemplated herein, constitutes or will constitute a default under any other agreement or contract that relates to the Property or to which Owner is a party.

15.1.6 Authority. No consents, documents, or approvals that have not been obtained are necessary to the effectiveness of the grant of the option by Owner.

Optionee represents that, except as specifically set forth in this Agreement, it has accepted and executed this Agreement and will exercise the option and purchase the Property, if at all, on the basis of its own examination and personal knowledge of the Property; that Owner and Owner's agents have made no representations, warranties, or other agreements concerning matters relating to the Property; that Owner and Owner's agents have made no agreement or promise to alter, repair, or improve the Property; and that Optionee will take the Property in the condition, known or unknown, existing at the time of the Closing Date. Specifically, Optionee acknowledges that Optionee has been fully informed as to the environmental condition of the Property to the extent of Owner's knowledge thereof and Optionee waives and releases any and all claims Optionee

may have against Owner arising out of or related to the environmental condition of the Property; and that Optionee will accept the Property subject to, and shall comply with all, NFA(s) and all documents executed in order to obtain and comply with the NFA(s); and as to all such matters shall indemnify and hold Owner harmless therefrom.

16. Waiver. Failure by Owner or Optionee to enforce any right under this Agreement shall not be deemed to be a waiver of that right or of any other right.

17. Successors and Assigns. Subject to the limitations on Owner's right to convey the Property set forth elsewhere herein, the terms, covenants, and conditions herein contained shall be binding on and inure to the benefit of the heirs, successors, and assigns of Owner and Optionee. Optionee may assign its interest in this Option Agreement and the Property to any entity controlled by Optionee, without the consent of Owner. If such an assignee assumes the obligations of Optionee hereunder, then Optionee shall have no further liability with respect to this Agreement.

18. Notices. All notices required or permitted to be given shall be in writing and shall be deemed given and received on personal service or deposit in the United States Mail, certified or registered mail, postage prepaid, return receipt requested, addressed as follows:

To Owner: PO Box 7
Mapleton, OR 97453

To Optionee: PO Box 518
Creswell, OR 97426

The foregoing addresses may be changed by written notice, given in the same manner. Notice given in any manner other than the manner set forth above shall be effective when received by the party for whom it is intended.

19. Attorney Fees. If litigation is instituted with respect to this Agreement, the prevailing party shall be entitled to recover from the losing party, in addition to all other sums and allowable costs, its reasonable attorney fees, both in preparation for and at trial and any appeal or review, such amount to be set by the court before which the matter is heard.

20. Risk of Loss. Owner shall bear the risk of all loss or damage to the Property from all causes, through the Closing Date. If, before the Closing Date, and regardless of whether the Exercise Notice has yet been given or is subsequently given, all or any portion of the Property is taken by condemnation, or if any such condemnation is threatened, Owner shall give Optionee written notice of such event. Either party may terminate this Agreement by giving written notice to the other party within 15 days after written notice from Owner of such condemnation, and Owner will return to Optionee the option money payment previously paid. If neither party elects to terminate this Agreement, then this Agreement shall continue in force and, if Optionee

exercises the option and the Property is conveyed to Optionee, then all interest of Owner in and to any condemnation awards that may be payable to Owner on account of such condemnation shall be assigned to Optionee at Closing.

21. Integration, Modification, or Amendments. This Agreement contains the entire agreement of the parties with respect to the Property and supersedes all prior written and oral negotiations and agreements with respect to the Property. Any modifications, changes, additions, or deletions to this Agreement must be approved by Owner and Optionee, in writing.

22. Representation. Owner and Optionee have each been represented by separate legal counsel of choice with respect to this transaction. Except as otherwise provided in Section 19, each party shall be responsible for all attorney fees incurred by it with respect to this Agreement.

23. Counterparts; Pronouns. This Agreement may be executed in one or more counterparts, all of which shall be considered one and the same Agreement and shall be effective when one or more counterparts have been signed and delivered by Owner and Optionee. With respect to any pronouns used, each gender used shall include the other gender and the singular and the plural, as the context may require.

24. Governing Law; Interpretation. This Agreement shall be governed by the laws of Oregon. If a court of competent jurisdiction holds any portion of this Agreement to be void or unenforceable as written, Owner and Optionee intend that (1) that portion of this Agreement be enforced to the extent permitted by law, and (2) the balance of this Agreement remain in full force and effect.

OWNER:

DAVIDSON INDUSTRIES, INC.

By: 

Name: DAVID CROWELL

Title: VICE-PRESIDENT

OPTIONEE:

LOST CREEK ROCK PRODUCTS, LLC

By: 

Name: Michael

Title: Owner

Crushed Rock Market Study Oregon and Major California Markets

OREGON

Summary of Sources of Aggregate

Two Types of Aggregate

Sand and Gravel-

Willamette and Umpqua Rivers primary sources of stream gravel. Mines in these area decline as fish and environmental protection issues increase

Concrete Grade- Portland Cement Concrete Grade (PCC), finished concrete, rounded material preferred.

Road Base Grade

Crushed Rock (basalt)

Uses: Asphalt Mix, Road Base, PCC, ballast, Jetty Rock

Per USGS, basalt is approx 50-60% of total aggregate production in Oregon

Existing Quarries

Per 2010 Dogami Permit spreadsheet, there are 516 active basalt sites and 247 sand and gravel sites statewide. The Willamette River Basin counties are listed below:

County	Basalt	Sand/gravel
Benton	13	6
Clackamas	9	12
Lane	21	15
Linn	34	18
Marion	17	19
Mult.	3	6
Wash	14	2
Columbia	11	5
Yamhill	15	3
Polk	<u>11</u>	<u>5</u>
	148	91

Oregon's Minerals and Aggregate Resources

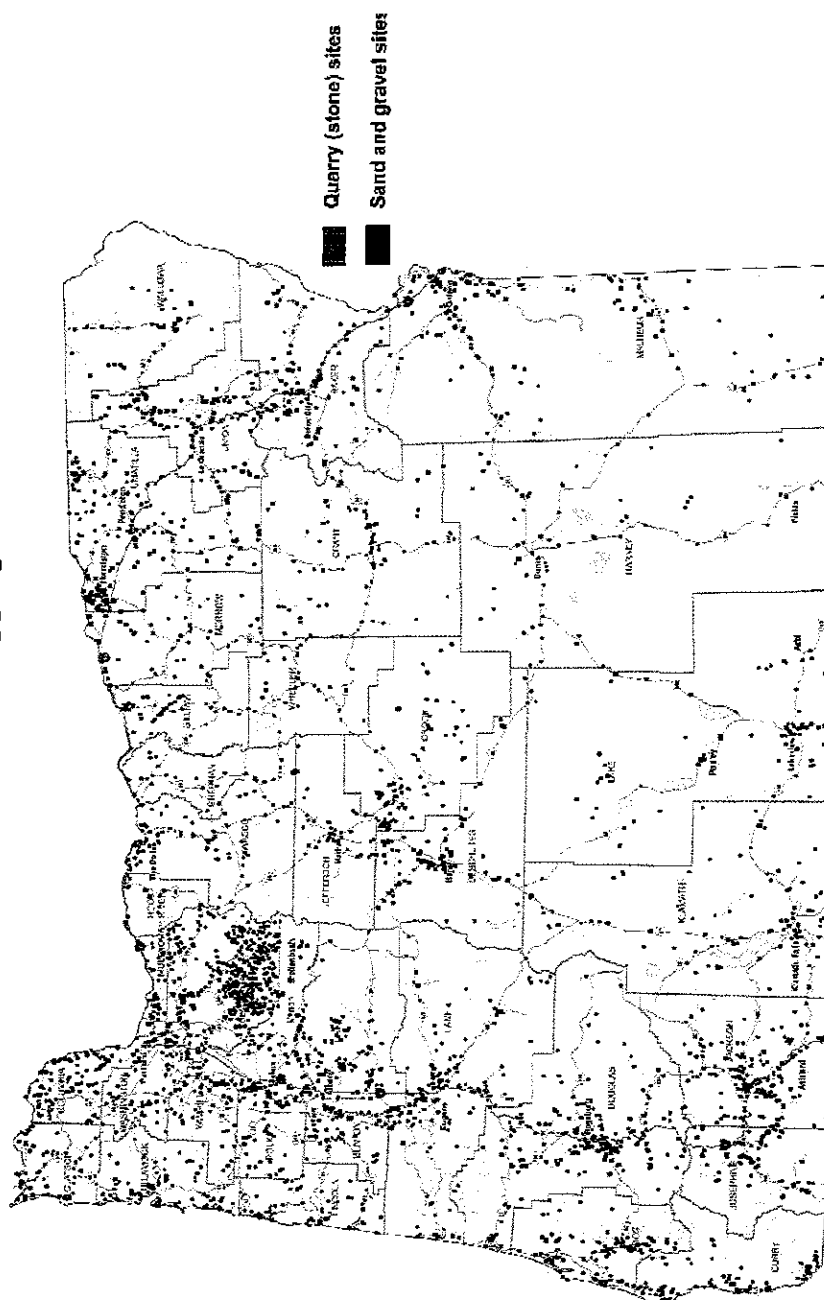


Figure 5. Map depicting approximate location of aggregate sites inventoried by the Industrial Minerals Section of DOGAMI. Figure provided courtesy of DOGAMI. Map does not include all sites on USFS and BLM lands.

Imports

Whelan estimates that approx 2.5 million tons of aggregate imported from Washington

2005 estimates of aggregate shipped from BC to Portland was .5 million tons

Aggregate Production/Demand

2009 total aggregate production (Dogami) in short tons was 28,306,000

Per USGS Mineral Year book 2009, crushed rock adjusted to short ton basis was 14,220,000 tons with unit value of \$6.77 (fob plant).

Sand and gravel production is more prevalent in Willamette River Basin.

Lane County is 70% gravel/30% basalt, or about 1,080,000 tons basalt in 2009.

Eugene basalt prices in 2010 were about \$7.50 fob quarry

Bend Area Pricing is \$16.25 Tumalo/Bend yard, \$8.25 fobTerrebonne Quarry

Mid-Coast Pricing is about \$21/ton Coos Bay and Newport yards, \$11-15 fob inland quarries.

Portland area prices for ODOT spec hard rock ranged from \$9.10 to \$11.40 per ton, truckload quantity fob quarry and Portland area yard. Prices lower if 200 plus tons

	Glacier Portland Front St Yard	Glacier Cobb Beaverton	Knife River Angel Quarry St Helens Rd
ODOT Basalt			
3/4"-0"Base	10.95	9.1	11.4
1"-0"	10.95		
1 1/2"-0		8.55	11.4
2 1/2"-0"		10.05	

Character of Demand

Aggregate is a high bulk, low unit value commodity that derives value from being near a market. Therefore, most quarries are in proximity to urban areas.

In many areas of North America, urban areas are impinging on aggregate operations. Local land use conflicts have emerged as residents object to the blasting, dust and heavy trucks associated with an aggregate operation. In many fast growing jurisdictions, aggregate deposits are being depleted or operating costs are being driven up by regulatory constraints, introduced to appease residents, some of which have encroached on existing aggregate operations.

Industry is very competitive, the dominant companies are often highly integrated with cement and construction companies having subsidiaries in both the ready mix and aggregate business. This integrated nature of the business can create obstacles to new entrants.

Portland market is dominated by three integrated companies: Glacier NW (Cal Portland), Knife River and Ross Island (Pamplin Group).

Whelan Study projected average annual aggregate demand of 52,000,000 tons, with 50% of that being in Willamette River Basin.

Transportation Costs

Transportation costs greatly affect cost to end user.

Truck hauling is 75% of hauls, rail 7% and waterway 7% (bal on site).

Jager 2005 estimate cost for typical truck haul has average cost per ton mile of .36 for 15 mile trip.

Rail transport costs about 1/3 of truck

Morse Bros ships approx 500,000 tons from Salem quarry to Portland on its own 17 car unit train via Portland and Western, cost is about \$3 per ton.

Barge cost from *BC to Portland* is \$8-10 per ton, plus off loading costs for total cost of \$14.50-16.50 per ton.

Cost to move by ship is about one half the cost of barging, about \$4.50 per ton per GE Bridges.

Barge cost from *Columbia gravel deposits to Ross Island* are about \$3 per ton

Limitation for reliance on distant aggregate is the additional trucking cost to sites not close to off loading sites. 10-20 miles of trucking can add \$4-6 to off loaded import price

CALIFORNIA

Aggregate Production/Demand

Per USGS Mineral Year book 2009, *crushed* rock adjusted to short ton basis was 37,260,000 tons with unit value of \$8.22 (fob plant).

Crushed rock accounts for about 30% of aggregate produced.

The quantity of aggregate shipped from Canada and Mexico has remained fairly constant at about 2 to 3 million tons annually.

California is a particularly attractive market for BC suppliers because of its large population (35 million/Canada 32 million), it is experiencing rapid coastal urbanization, depleting reserves and regulatory problems facing many in-state producers.

The best BC export market is the San Francisco Bay area, which consumes about 12 million tonnes (10.8 Million Short tons) of crushed rock and 23 million tonnes (20.7 short tones) sand and gravel annually. Although, the Los Angeles and San Diego market consumes almost four times more (nearly 90,000 (81,000 short tons) tonnes/yr.) prices are generally lower than in the San Francisco Bay area.

California is depleting its existing reserves and as urbanization continues many of the best deposits will never be developed due to social, environmental or economic factors. In many cases the land is more valuable for housing and the aggregate reserves will never be developed.

Approval of new aggregate reserves in California is expensive and time-consuming. As fewer of the smaller companies are able to afford the escalating

development costs, the number of closures is exceeding new approvals. In the San Francisco area the number of aggregate reserves decreased by nearly a third over the 1980s and 1990s -- from 32 to 23 and from 81 to 56 in Southern California.

Export Considerations/History

Obtaining a strategic ship-unloading site in the US is a critical factor in the feasibility of aggregate exports -- existing port facilities tend to be tightly controlled by companies who can dominate material flows.

Aggregates are a low-valued commodity -- unloading sites for aggregates tend to be scarce, since they must compete with other higher-value imports (e.g. containers).

In the San Francisco Bay area there are essentially two main companies with marine terminals suitable for receiving bulk carrier shipments -- Hanson Aggregates West and RMC Industries. Although, important in the area, the Lehigh and Cal Cement terminals are relatively distant from the San Francisco Bay.

In California, Hanson entered into a five-year contract with the Port of San Francisco to develop a bulk cargo terminal at Pier 94. In the San Francisco area, Hanson is also offloading BC aggregate at the Port of Redwood¹⁰ (in the south Bay area) for the ready-mix market, once the ships have been partially offloaded at Pier 94 to accommodate the shallower 30-ft channel depth. Hanson is also building a new terminal in the northern San Francisco Bay area (Richmond). When completed, there will be three bulk carrier unloading sites for BC aggregate (San Francisco, Redwood City, Richmond).

The Canadian Steamship Lines (CSL) has been transporting gypsum from the Baja to Los Angeles, San Francisco, Rainer (in Oregon) and Surrey, BC for many years. The gypsum is used for the manufacturer of drywall (i.e., sheetrock in the US) for the building products industry. CSL transports over 2 million tonnes of gypsum annually from Mexico using self-unloading ships.

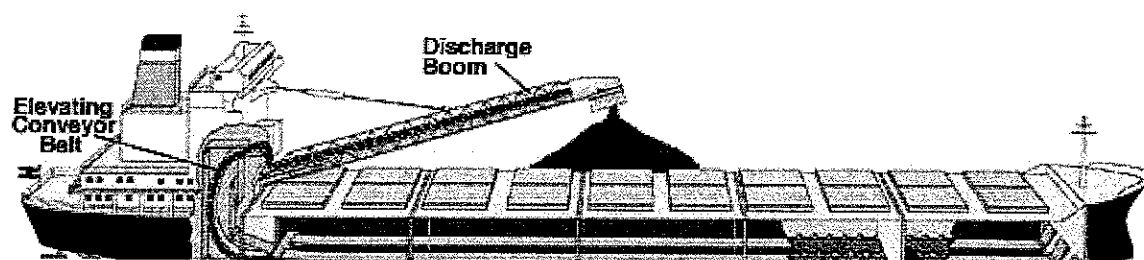
In California, a British firm Hanson Aggregates acquired quarries in the San Francisco Bay area from Kaiser Sand & Gravel, the long standing aggregate supplier in the area. Soon after acquiring Kaiser's assets, some of which were being depleted⁵, Hanson began looking at barging aggregates from Northern California. Although, several shipments were made in ocean-going barges it did not prove to be economic.

In BC, Construction Aggregates Ltd. was purchased by Lehigh Cement, which included the large operation in Sechelt, which started in 1989. Lehigh determined that the Sechelt operation could also supply the Puget Sound market by barge. Although, the California market was much larger than Puget Sound it was nearly 1,000 miles to the south over rough water and transport in ocean-going barges had so far proved to be uneconomic.

Another participant was the Lafarge Group, who operates a limestone and granite quarry on Texada Island. LaFarge was another company with California projects interested in finding a cost-effective alternative to barging to California. Lafarge is a large multinational company involved in the Los Angeles/Long Beach port development requiring large amounts of construction rock. The Los Angeles/Long Beach port is now the second largest container facility in the world

Within the last several years, CSL has commissioned three Panamax "S" class 70,000 dwt bulk carriers with self-discharging unloaders. The CSL self-loading system was originally developed for CSL's Great Lakes cargo ships, which have since been improved by Seabulk Systems Inc. of Vancouver.⁸ Shown in Figure 3-2 below, the cargo is brought to the ship's deck by an inclined conveyor and discharged at a rate of 4,000 tonnes per hour by a telescopic 260-ft. boom, either directly onto a stockpile or into a receiving facility.





Major Coastal California Sand and Gavel
Markets

Market	Volume	Price	Value
	(tonnes/yr.)	(\$US/tonne)	(\$US M/yr.)
San Francisco Bay Area	23,000	8.25	190
Los Angeles/ San Diego Area	88,000	6.00	530

2001 Tons	2002 Tons	2003 Tons	2004 Tons	2005 Tons	2006 Tons	2007 Tons	2008 Tons	2009 Tons	2010 Tons	County
2270515	1906932	1683878.16	1480966	1872938	2098849.53	1820061.19	1716038	1316325.46	1406325.35	Baker
1345867.89	1284929.26	1122883	1040739	1430471.42	966615	1514729	1232060	627551	835994	Benton
2209159	2122999.8	1645565.1	2365799	2699245	2841295.76	3147024.25	2590211.78	1574484.87	1482914.39	Clackamas
639820	529006.84	639875.02	661025.79	704339	713343.73	810429	717292.54	532413.73	439516.23	Clatsop
0	0	0	0	0	0	0	0	0	0	Columbia
541123.5	530579	402859	476348.2	477434.2	619204.4	636664.43	598225.5	412775.21	262670.99	Coos
1198233.54	1582687	1548898.02	1801907.5	2062683.95	2207891.55	2152393.4	1771289.09	947909.15	885423.73	Crook
442756.5	449895.49	428954.61	645783.71	664042.25	652843.62	980115.54	609187.64	302104.46	131773.93	Curry
2277880.5	1824946	1674548.5	1714351.3	2035559.43	1866992	1065939	1751584.2	658272	1602595.43	Deschutes
2071823	1907431.3	2371649.48	2213940.88	2281329.79	1928777.78	2078793.89	1846388.77	1045952.27	950558.16	Douglas
35896.05	40133.51	50951.39	91817.03	22561.67	143019.96	44847.94	245207.15	109498.79	400733.35	Gilliam
162121.35	26905	74950	45264	163594	30965	93000	8306	79612	100367.51	Grant
310854	411145	119394	130716	148499	78437.2	243519	42407	288065.5	98303	Harney
89000	115600	121880	83000	73000	95200	101996	115491	105918	80512	Hood River
5172444.41	3162687.5	4007545.74	4649139.01	4754245.5	4630391.77	4358568.27	3122663.41	2483347.28	1640755.16	Jackson
351180	148890	115321	108379	227863	350560	729471.55	405266.28	59378.3	27273.83	Jefferson
575128.3	383076	211025	687671	704751.6	737396	1064213.1	670610.96	248781	235271.94	Josephine
1026081	1454604.32	1301664.5	1207909.4	1616599.72	1786521.2	2052315.45	1229493.73	1300325.13	1034128.32	Klamath
157640	361280	290129	285556	358715	352192	321562	332392	284307.19	283700.33	Lake
4263521.24	3931215.96	4666349.04	4294783.11	4902764.21	5691235.05	5514224.9	5317469.28	3631107.75	3091337.83	Lane
370638.8	522875.09	438955.79	459922.46	592504.09	698236.99	503460.81	521102	479295.09	479057.1	Lincoln
2050401.44	1484015.53	1242325.46	1131748	1786101.62	3273863.27	2168696.56	1440153.8	1030008.26	754374.97	Linn
499242	297888	737646.4	335111	460872	407796.9	516405.5	547573.5	651813	185052.73	Malheur
4016035	4138908.33	3866071.45	5455956	5226231	5638197.49	4808756	4875068.77	2434397.19	3060614.57	Marion
564193	448856	291433	166046	118906.24	51431.88	126086.71	199780.56	189731.07	139042.23	Morrow
1674800	1210835	1259818	1818365	2054990	1846168	1942694	1573523	1072779	479143	Multnomah
1096640.19	910292.35	999880.39	1018428.5	1157081	2735163.91	2221123.36	1648248	1232043.46	877831.45	Polk
32	103751	811	117291	85792	35350	343033	497987	357482.1	13512.82	Sherman
354532.95	402576.75	427563	515187.87	600946.17	687139.74	477569.4	477800.8	290392.75	303043.84	Tillamook
1022729.05	1085369.1	846181.33	960278.94	923938.49	974238.21	1019348.83	686743.05	1123377.38	1016444.9	Umatilla
269644.75	295784	344780	485316.77	278698.75	372346	509647.75	332224.49	130066.8	217734.8	Union
100909	76147	85361.32	72243	91931	96627	46241.7	46484.3	66396.4	41484.32	Wallowa
407234.04	261034	319173.16	306505.09	233743.13	371108.91	347760.03	302326.89	474574.71	359523.21	Wasco
5128346	4131367	3746113	3896536	4247973	4437983.8	4162218.32	3912475.17	1997169	1806219.67	Washington
12500	121526	41075	12500	13200	52000	25000	151371	12302	11990	Wheeler
1318993	1291461	1546716	1462707	1427651	1313688	1733799.96	1526158	756692.5	756844	Yamhill
38672224.86										27,261,431
										28,306,650

TABLE 3
CRUSHED STONE SOLD OR USED IN THE UNITED STATES, BY GEOGRAPHIC DIVISION^{1 2}

(Thousand metric tons and thousand dollars)

Region/division	2008 ¹		2009	
	Quantity	Value	Quantity	Value
Northeast:				
New England	37,600	385,000	34,100	376,000
Middle Atlantic	160,000	1,680,000	135,000	1,510,000
Total	197,000	2,060,000	169,000	1,880,000
Midwest:				
East North Central	226,000	1,780,000	187,000	1,500,000
West North Central	162,000	1,340,000	138,000	1,240,000
Total	388,000	3,130,000	325,000	2,750,000
South:				
South Atlantic	310,000	3,690,000	228,000	2,860,000
East South Central	153,000	1,340,000	124,000	1,220,000
West South Central	237,000	1,800,000	183,000	1,400,000
Total	700,000	6,830,000	535,000	5,470,000
West:				
Mountain	71,100	545,000	57,700	440,000
Pacific	102,000	1,080,000	79,800	764,000
Total	173,000	1,620,000	138,000	1,200,000
Grand total	1,460,000	13,600,000	1,170,000	11,300,000

¹Revised

²Data are rounded to no more than three significant digits; may not add to totals shown

³Does not include American Samoa, Guam, Puerto Rico, and the U.S. Virgin Islands

TABLE 4
CRUSHED STONE SOLD OR USED BY PRODUCERS IN THE UNITED STATES, BY STATE AND TERRITORIES¹

State	2008 ¹			2009		
	Quantity (thousand metric tons)	Value (thousands)	Unit value	Quantity (thousand metric tons)	Value (thousands)	Unit value
Alabama	50,000 ²	\$370,000	\$7.40	36,400	\$332,000	\$9.11
Alaska	1,990	31,400	15.81	1,940	34,800	17.93
Arizona	15,300	153,000	9.97	9,120	80,000	8.77
Arkansas	32,200 ²	241,000	7.49	30,000	217,000	7.23
California	51,400	572,000	11.13 ²	41,400	378,000	9.13
Colorado	9,590	71,300	7.44	6,970	63,200	9.06
Connecticut	9,640	106,000	10.95	8,030	101,000	12.53
Delaware ³	W	W	W	W	W	W
Florida	68,400	894,000	13.06	48,600	643,000	13.23
Georgia	61,900 ²	666,000 ²	10.76 ²	45,100	518,000	11.49
Hawaii	7,410	134,000	18.04	5,920	101,000	17.07
Idaho	5,950	38,800	6.51 ²	4,410	30,800	7.00
Illinois	67,600	613,000	9.07 ²	56,500	513,000	9.07
Indiana	51,800	352,000	6.79	44,100	290,000	6.57
Iowa	38,700	312,000	8.05	32,600	297,000	9.12
Kansas	23,100	180,000 ²	7.80 ²	17,200	143,000	8.34
Kentucky	52,700	422,000	8.02	44,300	389,000	8.78
Louisiana ³	W	W	W	W	W	W

See footnotes at end of table

TABLE 4—Continued
CRUSHED STONE SOLD OR USED BY PRODUCERS IN THE UNITED STATES, BY STATE AND TERRITORIES¹

State	2008 ²			2009		
	Quantity (thousand metric tons)	Value (thousands)	Unit value	Quantity (thousand metric tons)	Value (thousands)	Unit value
Maine	4,020	33,900	8.42 ²	3,600	31,600	8.79
Maryland	26,100	237,000	9.08 ²	22,300	200,000	8.95
Massachusetts	11,200	130,000	11.58 ²	10,500	122,000	11.59
Michigan	26,100	136,000	5.20	20,400	115,000	5.66
Minnesota	10,300	122,000	11.76	8,670	110,000	12.73
Mississippi ³	4,380 ²	88,800 ²	20.29 ²	3,130	63,400	20.25
Missouri	76,400	614,000	8.04	67,700	598,000	8.83
Montana	1,980	14,000	7.05	1,990	20,400	10.25
Nebraska	7,960 ²	78,100 ²	9.81 ²	6,340	59,700	9.42
Nevada	10,200	95,100	9.31 ²	8,290	90,500	10.92
New Hampshire	5,170 ²	50,900 ²	9.83 ²	4,680	47,000	10.06
New Jersey	17,900 ²	155,000 ²	8.66 ²	14,500	124,000	8.51
New Mexico	7,020	43,400	6.18	6,130	40,200	6.56
New York	41,000	384,000	9.37	37,200	410,000	11.03
North Carolina	57,500 ²	806,000 ²	14.03 ²	38,500	584,000	15.15
North Dakota	26 ²	133 ²	5.12 ²	985	3,980	4.04
Ohio	54,100	446,000	8.25 ²	42,700	388,000	9.08
Oklahoma	47,200	345,000	7.32 ²	36,800	308,000	8.35
Oregon	23,500	174,000	7.40	15,800	119,000	7.52
Pennsylvania	101,000	1,140,000 ²	11.26	83,000	975,000	11.74
Rhode Island	1,840	17,900	9.70 ²	1,820	20,200	11.10
South Carolina	22,500 ²	235,000 ²	10.41 ²	18,200	201,000	11.04
South Dakota	5,390 ²	34,300 ²	6.37 ²	4,450	29,300	6.58
Tennessee	46,200 ²	461,000 ²	9.97 ²	40,100	431,000	10.75
Texas	150,000	1,100,000	7.34	110,000	782,000	7.09
Utah	8,950	72,700	8.13	4,830	39,400	8.17
Vermont	5,690	47,500	8.34	5,430	54,900	10.13
Virginia	57,400	712,000	12.40	42,200	577,000	13.67
Washington	17,500	168,000	9.60	14,700	131,000	8.92
West Virginia	15,200	127,000	8.36	12,500	126,000	10.04
Wisconsin	25,900 ²	238,000	9.16 ²	22,900	198,000	8.63
Wyoming	12,100 ²	57,100 ²	4.72 ²	16,000	75,400	4.71
Other	8,760	128,000	14.56 ²	6,550	102,000	15.59
U.S. total or average	1,460,000	13,600,000	9.36	1,170,000	11,300,000	9.68
Territory						
American Samoa ⁴	(5)	(5)	(5)	(5)	(5)	(5)
Guam	325 ²	3,780 ²	11.62 ²	296	3,380	11.41
Puerto Rico	11,000	96,000	8.74	8,370	68,700	8.22
Virgin Islands	(5)	(5)	(5)	(5)	(5)	(5)
Grand total or average	1,470,000	13,700,000	9.35	1,180,000	11,400,000	9.69

¹Revised W Withheld to avoid disclosing company proprietary data; included with "Other"

²Data are rounded to no more than three significant digits; may not add to totals shown

³Data not revised.

⁴A significant amount of sold or used material was shipped in from other States.

⁵Includes Tutuila Island and dependencies.

⁶Withheld to avoid disclosing company proprietary data; included in "Grand total or average"

Coastal Rock Prices, FOB Basalt Quarry and Retail Yards (Bandon to Newport)									
							2011		
	Laskey Coos Bay Retail Yd	Laskey Broadbent /Miryle Pt	Laskey Port Orford	Main Rock N. Bend Yard	Knife River Coos Bay Yard	Mapelton Rock Prod Pit	Cedar Cr Newport Yard	Cedar Cr Siletz Pit	
ODOT SPEC ROCK									
3/4" -0" Base	\$ 20.00	\$ 11.00	No Spec	No Spec	No Spec				
3/4"-0" Gradation Base	\$ 15.25		No Spec	No Spec	No Spec				
1"-0" Base			No Spec	No Spec	\$ 21.50	\$ 10.80		\$ 15.37	
1-1/2"-0" Gradation Base	\$ 15.00		No Spec	No Spec	No Spec				
3" Open						\$ 10.80			
NON SPEC ROCK									
3/4"-0" Base			\$15.25	\$10.50					
1"-0" Base					\$20.75				
1- 1/2"-0" Base		\$10.50			\$20.75		\$22.58	\$12.54	
3"-0" Base	\$15.00	\$10.50							

[illegible]

Rock Prices 11-2-2010	
Conser	
¾ minus	6.80 ton
1 ½	6.50
3 minus	6.00
Rip Rap	10.00
Coburg	
¾	7.50
1 ½	7.50
3 min	7.25
Euge sand	
Crushed river	
¾ minus	8.00